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CONTADORA SUPPORT MINISTERS TO MEET 5, 6 APRIL

PA201946 Madrid EFE in Spanish 1931 GMT 20 Mar 86

[Excerpt] Caracas, 20 Mar (EFE) -- The foreign ministers of the Contadora Group and the Latin American Support Group will meet on the Panamanian Island of Contadora on 5 and 6 April, Venezuelan Foreign Minister Simon Alberto Consalvi announced in Caracas today.

The meeting of foreign ministers was initially scheduled for 21 March but was postponed in view of the many commitments of the foreign ministers.

Political media have hinted that at April's meeting the foreign ministers will persist in their efforts to secure detente in the region and will ratify the Caraballeda Declaration.

VENEZUELAN ENVOY ADDRESSES OAS MEETING

PA201949 Paris AFP in Spanish 0202 GMT 20 Mar 86

[Excerpts] Today, at a meeting of the OAS Permanent Council, Venezuela's ambassador reaffirmed, in the name of the Contadora Group, the obligation of all states to resolve their disagreements through peaceful means. This reaffirmation was made at a time when the U.S. Congress is debating military aid to the Nicaraguan anti-Sandinist contras.

Venezuelan Ambassador Edilberto Moreno asked for the floor when the meeting reached the "miscellaneous" part of the routine council meeting's agenda. He stated, in the name of the Contadora Group and its Support Group, "the obligation of all states to resolve their disagreements through exclusively peaceful means and to refrain from resorting to the direct or indirect use of force."

Without mentioning the debate taking place in the U.S. House of Representatives, Moreno insisted that the Central American conflict "must be resolved (...) with strict adherence to international law."

He noted that the Caraballeda document and the Punta del Este declaration approved in Venezuela and Uruguay by the foreign ministers of the Contadora Group (Venezuela, Colombia, Mexico, and Panama) and its Support Group (Argentina, Brazil, Peru and Uruguay) "clearly define the permanent bases for peace in Central America and list the necessary actions to ensure their implementation."

Moreno said: "We still are hopeful that all OAS members will adapt their conduct to those bases and that they will strictly fulfill the obligations imposed by international law."

Edgard Parrales, the Nicaraguan ambassador to the OAS, spoke today following Venezuelan Ambassador Moreno to reiterate his government's willingness to accept the Contadora Group's proposals.

OFFICIAL DISCUSSES REAGAN SPEECH WITH U.S. ENVOY

Communique Issued

PY202129 Buenos Aires TELAM in Spanish 2112 GMT 20 Mar 86

[Text] Buenos Aires, 20 Mar (TELAM) -- The Argentine Foreign Ministry this afternoon issued an official communique stating that U.S. Ambassador Frank Ortiz had been summoned to the ministry. The document states that Foreign Policy Under Secretary Jorge Mauhourat met with the U.S. envoy and asked him for an explanation of the remarks about Argentina that President Ronald Reagan made during a speech on 16 March. The Foreign Ministry is now awaiting further information on this issue. It is worth pointing out that using its own channels, Argentine diplomacy has been doing its best in the United States to obtain a further explanation of President Reagan's statement. Foreign Minister Dante Caputo was notified of this statement on the eve of his departure for Europe to negotiate with EEC authorities.

Communique Amended

PY202229 Buenos Aires TELAM in Spanish 2158 GMT 20 Mar 86

[Text] Buenos Aires, 20 Mar (TELAM) -- The Argentine Foreign Ministry has amended the official press communique that it released this afternoon on the meeting that U.S. Ambassador Frank Ortiz held with Foreign Policy Under Secretary Jorge Mauhourat. The final text, which makes it clear that Ambassador Ortiz was summoned by the Foreign Ministry, states that the summons was prompted by the concern of the Interior Ministry, which wishes to deny that there could be any kind of guerrilla activities within the national territory, as one could conclude from the remarks President Reagan made in his speech on 16 March. The foreign policy under secretary, Ambassador Jorge Mauhourat, met with the U.S. envoy and asked him for further information on the issue. The Foreign Ministry is now awaiting additional data concerning the matter, the Foreign Ministry communique concludes.

Envoy's Evidence Not 'Concrete'

PY202345 Buenos Aires TELAM in Spanish 2258 GMT 20 Mar 86

[Excerpt] Buenos Aires, 20 Mar (TELAM) -- A reliable Foreign Ministry source has reported that U.S. Ambassador Frank Ortiz, who was summoned to the Foreign Ministry to explain claims that guerrilla groups are being trained in Argentina to operate in Nicaragua [as received], did not supply concrete evidence of this claim.

The U.S. ambassador apparently merely showed some photographs of a recent meeting of Revolutionary Peronist Militants, among which there may have been a few former Montoneros. The ambassador also pointed out that one of the members of the Nicaraguan cabinet is Argentine. Ambassador Ortiz was today summoned by Foreign Policy Under Secretary Jorge Mouhourat on instructions from acting Foreign Minister Antonio Troccoli [also interior minister] (Dante Caputo is currently at the headquarters of the EEC), who first consulted with President Raul Alfonsin, in order to ask Ortiz for an explanation of U.S. President Ronald Reagan's recent remarks.

LABOR MINISTER BARRIONUEVO ADDRESSES NATION

PY200211 Buenos Aires Domestic Service in Spanish 2330 GMT 19 Mar 86

[Address to nation by Labor Minister Hugo Barrioneuvo on 19 March -- recorded]

[Text] Fellow countrymen, good evening.

As the labor and social welfare minister, I will note, on behalf of the Argentine Government, a few considerations on the social and labor situation and will outline the main guidelines of the short- medium- and long-term policy in this field. The major accomplishment, that no sensible person can deny, is that after 2 years of constitutional government considerable progress has been made in the political and socioeconomic fields.

The reinstatement of democracy has allowed the Argentines to coexist amid respect for the law and pluralism, leaving behind long years of authoritarianism and political strife. The government has been making sure that these principles remained in effect and is proud of its commitment, for it sees the country moving forward toward the strengthening of democratic institutions.

The economic reform enacted in June 1985 was a full-fledged demonstration of the nation's will to rebuild the foundation for its coexistence and to eradicate the scourge of inflation, a formidable obstacle to social peace and economic recovery. The efforts of all Argentines have permitted the reduction of inflation to its current low levels at a comparatively reasonable social cost. Now we can start thinking about the future of our country within a framework of stability which is the necessary basis for the attainment of permanent well-being and growth.

The workers have made a decisive contribution to this endeavor. The fact that we are now able to look forward is due, to a large extent, to the spirit of sacrifice and patriotism of those who have displayed their maturity by setting an example of understanding in the face of the crisis the country is going through. The complex economic, social and labor status quo that we encountered upon taking office prompted the government to look for mechanisms and forums for dialogue with workers and businessmen. Although these attempts at reconciling positions, interests and expectations did not lead to any agreements, they have taught us positive lessons which we must use to our advantage.

I will divide my explanation into two main sections. In the first section on labor reform, I will explain the basic constitutional, political and legal guidelines of the system of labor relations, while in the second section, dealing with the income policy, I will outline a proposal for the evolution of salaries in 1986. These basic guidelines and proposals for the two issues, far from closing any debate, will seek to stimulate dialogue and the quest for democratic consensus among all social sectors.

The reform of the system of labor relations

Our country's system of labor relations, which has been and is still being harshly criticized by workers and businessmen, has become inappropriate, obsolete, and contradictory. We have a system designed for times of prosperity and for coping with the requirements of the first industrial revolution, and, this being the case, the system can hardly handle the requirements of the economic crisis or the challenges of the technological revolution.

Our system is contradictory because it contains elements of authoritarian extraction that go against labor union freedom and help repress conflicts and elements of paternalistic extraction through which the state plays a leading role, to the detriment of the collective autonomy of workers and employers. Labor relations develop within the framework of an overall philosophy of economic isolationism which is unsuitable for the current phase in which we must redefine our role on the international markets.

The system we have inherited has given rise to factional or corporative approaches which view social justice as the sum of each sector's privileges. In fact, this situation is totally at odds with the spirit of solidarity that we advocate. This system of labor relations is totally outdated, and it is necessary to make changes as soon as possible. During these 2 first years of democracy we have not managed to promote a thoughtful analysis or an in-depth debate on this issue, nor have there been coherent suggestions for reforming the system. It would seem that the time has come to overcome this negative status quo and to launch the reform, taking into consideration that this will not be accomplished by replacing a few laws since the main objective is to change structures, behavior and approaches of people operating at different levels in the world of labor and production affairs.

The government will subject the amendment of the labor policy to the following four main objectives which it seeks to fulfill through dialogue and social participation:

1. Change and democratize labor relations;

2. Update the labor policy's framework, that is, repeal the measures of an authoritarian origin and those which have become inadequate, without implying the automatic reimplementation of previous measures;

3. Define labor instruments in keeping with the economic policy and the modernization of our productive apparatus; and

4. Make the Labor and Social Security Ministry more efficient.

In sum, the defined guidelines seek to grant a concrete content, in the labor relations field, to the principles listed by the president of the Republic when he proposed a democratic pact last December. In other words, we intend to reorganize the system in order to make it compatible with a democracy in which everyone participates, with the spirit of solidarity, and with the overall modernization plan in which the Argentine nation is engaged.

First, in view of the need to synthesize the purpose of the change proposed by the government, I would say that it seeks to enhance the role of social autonomy in relation to the excessive state intervention. This process entails and encourages businessmen and workers to act in a responsible manner.

In the second place, it should be made quite clear that this change is not directed against the labor unions or enterprises. Quite the contrary, we want to define the role that the two social sectors must play in a democratic society. This new definition will bring about the balance of power within the society, putting an end to changing attitudes that only lead us to antilabor union measures and labor outbursts, rationalizing the labor conflicts.

In the third place, the change will seek to do away with inflexibilities that only hinder the development of the economy and will grant it the necessary flexibility currently required for technological development and dynamics of the market.

Naturally, this change from inflexibility to flexibility will not entail a return to obsolete liberalisms that end up concealing abuses, but is rather designed at broadening the guarantees contained in contracts based on collective bargaining.

The government by no means has the intention or desire to undertake this complex task on its own. Therefore, it extends an invitation for an open and sincere dialogue and voices its willingness to discuss the "guidelines" and the instruments of the change with the workers, the businessmen, the political forces, and the experts on the subject. At the time of implementing the changes the government, naturally, will strictly respect the role of Congress where it will even propose a deep-rooted debate regarding the content of this reform.

The labor and enterprise organizations now have the historic opportunity of actively participating of a process of undoubtable importance. The government summons the Argentine labor unions to assume their responsibilities and debate the reform with concrete proposals that are free of demagoguery which is not proper for a mature labor sector such as the one that the workers, the government, and the entire nation require.

The government also makes an appeal for a responsible attitude on the part of businessmen and representative organizations that must give up the bad habits created over long years of state intervention in labor relations. The new system requires that the enterprises become aware of the new democratic reality and that they should find through dialogue and negotiations the most adequate elements to overcome labor conflicts. We are certain that the society expects our businessmen to manage their enterprises properly, to overcome the ineffective practices, and the adequate organization of the elements that belong to the productive process.

Income Policy

During the last socioeconomic conference in December 1985, the government announced its intention to review the income policy during the first three months of 1986. Not long ago, the president of the nation recalled that commitment by pointing out that the government would draw up a "proposal designed at maintaining the salary purchasing power during 1986 and that would be compatible with the general guidelines of the Austral Plan. Today the government is able to make concrete proposals which are in keeping, and it is almost redundant to say, with the framework of the harsh requirements imposed by the crisis and the need to consolidate the anti-inflationary achievements. A responsible attitude prompts us to bring the income policy within the framework of the limitations of our economy, but this must consider the principles of solidarity in order to fairly distribute the efforts we must make in this adjustment phase that will allow us to grow.

It is appropriate to recall here that when the 1986 draft budget was outlined, these unifying principles prompted the government to increase social expenditures by 5.5 percent. There are four basic criteria of the new wage policy:

1. Definition of salary guidelines with yearly projections as a way to overcome more or less unexpected adjustments, which only serve to create uncertainty;

2. Progressive and controlled withdrawal of state interventionism in setting overall and uniform wages to encourage businessmen and workers to assume specific responsibilities and commitments;
3. Upgrading the principle of social solidarity while defining guidelines and recommending techniques for setting wages; and
4. Cancelling the method of wage review based on previous inflation rates, replacing it with a method based on projected inflation rate, with the conviction that this change will contribute to discouraging spiraling inflation based on wages.

Let us now review some concrete operational criteria:
1. Minimum survival wage: Taking into account the actual possibilities of our economy and the need to curb undesired effects on the employment rate, in 1986 the minimum survival wage will grow in conformity with the inflationary hypothesis established in the national budget;
2. Guaranteed social wage: Beginning in April 1986 a guaranteed social wage will be established for all full-time workers included in the labor contract law, excluding family allowances and overtime. The resulting difference between the last normal and usual payment and the new guaranteed social wage will be paid as a single monthly supplementary payment, which will not serve as a reference or as a basis for calculation for any legal or conventional compensatory or service payment or for any other type of services rendered by the worker;
3. Wages of personnel subject to collective bargaining: The government reasserts its willingness to promote negotiations on a tripartite basic agreement [acuerdo marco] with the participation of top representatives from the workers and the employers.

Such a basic agreement should define criteria for negotiating wages within limits based on projected inflation rates. The parties would agree on their 1986 wage reviews within those limits.

Should this basic agreement fail, the government will assume the responsibility of enacting a decree establishing not straight wage increases but guidelines for the negotiations the parties will have to undertake.

In both cases -- the basic agreement and the decree -- the reviews will be based on the projected inflation rate, including mechanisms to guarantee that the overall purchasing power of wages will be maintained throughout 1986.

The signatories of the basic agreement or the government, as the case may be, will establish the appropriate mechanisms to ensure that the accords reached will be within the wage limits and avoid overflows caused by pressure or irresponsible attitudes. In every case the accords reached within these guidelines will imply a double commitment:
A. The businessmen must respect the government price policy;
B. The workers must not resort to strong-arm measures in connection with the agreed-upon issues as long as the agreement is in effect and they must sign the appropriate social peace clause.

Salary accords will go into effect only after their approval by a tripartite committee if it is a basic agreement or an interministerial commission in the case of a reference decree.

4. Centralized public administration personnel: The government will make the appropriate adjustments to take care of the estimated inflation provided for in the state budget for 1986 within the framework of solidarity-oriented measures, enhanced productivity and efficiency, and lower absenteeism rates.

The public service secretariat will be charged with drawing up a new general grade structure that will take care of career requirements, hiring and promotions on merit, and higher wages. The transfer to the new grade structure will be gradual. It will depend on the evolution of the current labor force and the increase of revenues. Suitable union participation in the debate and implementation of the new grade structure is provided for.

5. Social welfare benefits: The national welfare system distributes among its beneficiaries all of its revenues, and it also receives a significant contribution from the state, instead of the 50 percent that employers had to supply prior to 1980.

However, all these revenues are not enough to pay satisfactory pensions to all pensioners and retirees. Thus, the government has approached this problem realistically and very soon now it will be prepared to propose a draft reform based on three principles:

1. Generation of greater genuine resources for the system.

2. Widespread social assistance benefits and a solidarity redistribution of the abovementioned greater resources.

3. Participation in the control of the management of the social welfare system.

The government will adjust the pensions of retirees and pensioners in keeping with the estimated inflation provided for in the state budget for 1986. The minimum pensions will grow at the same rate the minimum survival wages will.

Participation of social sectors: Modern democracy does not limit itself to classic patterns for the people's participation in public affairs. The democratic states have developed various participation mechanisms through which the citizens and the organizations that epitomize social pluralism assume different roles and responsibilities. The government will promote and increase participation by workers and employers' organizations in various sectors of the labor field. The government proposes two fields of participation, both of which are in keeping with the International Labor Organization criteria:

1. On one hand, what we could call "institutional participation" that is, the presence of representatives of workers and employers in organizations in charge of drawing up statistics, carrying out studies and investigations, controlling the granting of social and security services linked to employment, unemployment, and professional training.

2. On the other hand, participation in certain public enterprise creating institutional channels that will expedite the exercise of the right to information and implementing consultation mechanisms for taking certain decisions in the public enterprise sector.

Normalization of the General Labor Confederation [CGT]

From the beginning of the democratization process, we have deemed it necessary to normalize the institutional life of labor organizations. This is why the bill that became Law 23.071 was drawn up allowing the gradual normalization of first, second, and third degree enterprises. There are only a few left that still have to complete their electural processes.

This encourages us to begin the necessary steps that will soon allow the normalization of the General Labor Confederation, respecting, as is proper for a democratic state of law, the participation principles, the correspondent legal framework, and the workers' right to have autonomous organizations. The government hopes that those organizations, whose responsibility it is counting on, will have answers that will be appropriate for this historical moment, that will not be inspired only be sectorial concerns and that it will not merely cite the social aspirations we all share. The government is certain this will not be the case. However, it will not slacken in its duty of governing, and if it is faced with a lack of coherent proposals, it will implement the social policies based on the aforementioned guidelines.

These are the considerations and proposals I wanted to disclose tonight. We are aware of the expectations that the announcements created. Moreover, we are aware that our people are mature enough to understand what we have really stated tonight. Debate is open. The government is willing to engage in dialogue with the workers and businessmen who, with their responsible contributions, will enrich the proposals and allow their prompt implementation.

We are convinced that this is possible by viewing the problems in an overall context. We cannot continue practicing sectorial discussions because once again we will be taking the wrong path. The challenge has been issued. We believe in the workers and businessmen's capacity for dialogue. The time has come to adopt tools in labor relations that will allow us to close the door to the past. Everything is possible with will. The country is waiting. Thank you very much.

UBALDINI SAYS 25 MARCH STOPPAGE STILL SCHEDULED

PY201349 Buenos Aires TELAM in Spanish 2317 GMT 19 Mar 86

[Text] Buenos Aires, 19 Mar (TELAM) -- After listening to the official proposal by Labor Ministry Hugo Barrionuevo, CGT Secretary General Saul Ubaldini today confirmed the stoppage and mobilization scheduled for 25 March, deeming that there are not sufficient reasons to give up this measure of force. Ubaldini said that there are not sufficient reasons because no proposal has been made, and the stoppage is still scheduled for 25 March. He added, however, that the final decision will be made by the CGT Executive Board.

He said that there is not even a reason for calling a national plenary session, which is the only authority with power to suspend the stoppage. We have only received guidelines and no figures whatsoever as far as salaries are concerned, said Ubaldini, who did not want to go into detail about the government proposal because, he said, it will be the people who pass judgment on it after the labor minister delivers his message over radio and television tonight. Ubaldini announced a press conference to be held at the CGT office tomorrow at 1700, when the CGT will publicly state its position on the government proposal.

FOREIGN MINISTER ON NEGOTIATIONS WITH CHILE

PY201630 La Paz PRESENCIA in Spanish 8 Mar 86 p 1

[Text] Foreign Minister Guillermo Bedregal has said that Bolivia will act seriously and with moderation and that it will adopt a positive negotiating stance if Chile shows willingness to negotiate Bolivia's landlocked situation.

The minister made this statement in response to repeated questions from reporters, who pointed out to him that Chile has released a series of official statements, some of them by President Augusto Pinochet.

"We cannot make any comment because we have not even begun to negotiate," Bedregal said.

But if such negotiations begin, he went on, we will discard the idea that Bolivia has "an inferiority complex in these negotiations. The government does not have that sort of complex. We will negotiate on the basis of terms that will be clear and categorical from all viewpoints, because we shall not be asking anyone to do us a favor and we shall not be intimidating anyone either. This is the real course of our foreign policy."

"Bolivian foreign policy is based on a pluralistic approach toward all nations, no matter what their ideological leanings," he concluded.

INTERIOR MINISTER ON REDUCTION OF COCA CROP

PY191224 Paris AFP in Spanish 1505 GMT 18 Mar 86

[Text] La Paz, 18 Mar (AFP) -- Interior Minister Fernando Barthelemy today stressed that the Bolivian Government refuses to apply drastic measures, such as the use of chemicals, to reduce coca plantations. Barthelemy stated that the previous government headed by Hernan Siles Zuazo had promised the United States that it would reduce the plantations by 4,000 hectares, but it did not comply with this commitment.

He explained that President Victor Paz Estenssoro has started to implement the agreement on the reduction of coca plantations, but that the means and the funds to comply with the commitments that have been made to the campesinos to guarantee the provision of electricity, water, schools, and other services are insufficient.

He also highlighted the fact that the U.S. Government and Congress have the sovereign right to make decisions regarding aid for Bolivia, but Bolivia is a sovereign country when it comes to implementing policies that bear on its own development.

In Washington, Senator Paula Hawkins has proposed to Congress the suspension of economic aid to Bolivia until our country clearly reduces the levels of coca leaf production, the basic raw material for the production of cocaine.

INTELLIGENCE CHIEF SAYS REAGAN REMARKS 'UNFOUNDED'

PY201435 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Mar 86 p 2

[Text] Brasilia (ESTADO) -- General Ivan de Souza Mendes, chief of the National Intelligence Service, yesterday told President Sarney that U.S. President Ronald Reagan's contention that Brazilian "extremists" have received weapons from Nicaragua for actions in Brazil, is unfounded. The statement was made by presidential spokesman Fernando Cesar Mesquita, who said that the Brazilian Government has no official information on the report and that it is awaiting clarification from the U.S. Government. Mesquita also denied a report attributed to Maranhao Governor Luiz Rocha about the presence of Sandinists in the municipal district of Arame.

Itamaraty expects to put a full stop to the U.S. attempts to involve Brazil in the Nicaraguan case if another note of clarification is received from the State Department. The first request for explanations was made 20 days ago when Secretary of State George Shultz charged that Brazilians were receiving military training in Nicaragua. This time Itamaraty expects to receive another note of apology stating that there was no malice in the "mistake."

Senator Fabio Lucena, government deputy leader in the Senate, also protested Reagan's remarks and announced that he plans to propose a bill requiring congressional authorization to allow personnel of the Brazilian Armed Forces to leave the country.

NOBISTOR CAPTAIN ADMITS KNOWLEDGE OF ILLEGAL CARGO

PY201731 Paris AFP in Spanish 0036 GMT 20 Mar 86

[Text] Rio de Janeiro, 19 Mar (AFP) -- The commander of the Panamanian-flag carrier Nobistor, Argentine citizen Eduardo Gilardoni, confirmed here today that he was illegally transporting Argentine weapons for groups opposed to the current Ghanaian Government.

The captain's statements were confirmed by U.S. citizen John Dee Early, a Vietnam war veteran, who had been hired with seven other U.S. citizens to guard the weapons until they reached their destination. The ship belongs to the Geo Matter enterprise in Buenos Aires.

Gilardoni and Early made these statements during a press conference at the Federal Police station in Rio de Janeiro, where they have been held under arrest since Friday, March 14.

Gilardoni, who has been working for the shipping company for the past 6 years, said that Geo Matter had been hired by a representative of the Ghanaian Defense Ministry, allegedly named Godfried Ossey, to transport the secret shipment of weapons acquired in Argentina to Accra.

Gilardoni explained that the eight U.S. citizens were on his vessel as temporary crewmen because the Argentine sailing regulations do not allow the transport of passengers on that type of vessel.

Although he only met them on the day of departure, 1 March, in Buenos Aires port, they all carried the required documents, that is, they had a visa to remain in Argentine territory. Their only crime was to travel as crewmen.

When asked whether he knew what type of cargo he was transporting and who it was destined for, Gilardoni said that he and his company had been deceived.

The captain said that he found out the truth through the person responsible for guarding the cargo, John Dee Early, who received a call over the ship's radio explaining to him that the weapons were not, as everyone believed, for the Ghanaian Government but for a group of dissidents. Gilardoni then explained that it was decided to enter the Brazilian port to seek instructions from Buenos Aires as to what to do with the shipment. That is when the Brazilian Federal police seized them.

U.S. citizen Early, for his part, confirmed Gilardoni's statements and added that he was hired in his own country by Ted Bishop, who identified himself as a representative of the Ghanaian Defense Ministry. Bishop paid Early's group's fares to Buenos Aires, where he also made contact with Mr. Ossey, who chartered the Nobistor.

In Buenos Aires he learned that the cargo had been acquired from Military Industries, the Argentine Army's arms manufacturing plant, part of the Defense Ministry. Early said that the shipment of 6 tons of weapons contained light machine guns, guns, revolvers, rubber boats, ammunitions, and combat gear. Early said that the group was also hired to teach the recipients of the cargo how to use the weapons which, they believe, were for the Ghanaian military and police forces that are being modernized.

Early also said that he is an aircraft pilot and a freelance journalist.

Gilardoni and Early confirmed that the engine of the Nobistor had been slightly damaged, but this would not prevent it from sailing. They had decided to enter the Brazilian port and request instructions from their company when they found out that the shipment was illegal.

Captain Gilardoni ended by stating that he thought that the ship had been intercepted at the request of the Ghanaian Embassy in Brazil, which had become aware that the cargo was destined for groups that oppose the current Accra government.

FUNARO DISCUSSES LIFTING ECONOMIC FREEZE

PY201656 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 20 Mar 86

[Excerpts] If Brazil manages to keep the inflation rate at zero during the coming months, the government will be able to start thinking about ending the economic freeze. However, this will have to be carried out gradually in every sector. This statement was made by Finance Minister Dilson Funaro during the debate on the economic package with senators of the Democratic Alliance.

Funaro noted that the program for a zero inflation rate is designed mainly to allow the economy to function freely. Therefore, the government will end the freeze as soon as possible.

Minister Funaro stated that during the next 3 months the consumers and the entire productive apparatus will enjoy price stability. This fact added to the continuation of economic growth, and internal interest rates compatible with international rates will create the ideal framework for the government to start the unfreezing process.

The finance minister said that the agricultural policy is being fully reviewed and that in 30 days, the government should announce the new tools to encourage this sector. He said that these tools will allow the farmers to get ready for new harvests.

DEL VALLE OPTIMISTIC AFTER MEETING U.S. ENVOY

PY202033 Santiago Domestic Service in Spanish 1730 GMT 20 Mar 86

[Text] Foreign Minister Jaime del Valle has stated that the meeting he held last night with U.S. Ambassador Harry Barnes left him optimistic. The minister said that, from his point of view, he is satisfied because we managed to maintain normal relations between two traditionally friendly countries.

U.S. Ambassador Harry Barnes visited the Foreign Ministry this morning to bid farewell to Minister del Valle before departing today for Antarctica until 30 March. Regarding the U.S. resolution accusing Chile of human rights violations, Barnes explained that he had already discussed this subject with the Chilean authorities.

Commenting on the UN human rights report on Chile made by special UN observer Fernando Volio, the special afairs ambassador of the Chilean Foreign Ministry, Mario Calderon, said that Volio had treated the subject objectively but that the UN Commission had focused on it from an essentially political point of view. Calderon said that the report (?ignores) the fact that there is an institutionalization process under way in Chile that is making considerable progress.

In conclusion, Calderon said that our country will continue cooperating with the UN Human Rights Commission as long as the UN observer stays within the limits of his duties.

DEMONSTRATIONS, DISTURBANCES CONTINUE IN SANTIAGO

PY210236 [Editorial Report] Santiago Radio Chilena in Spanish at 2300 GMT on 20 March carries a series of reports on the demonstrations in Santiago connected with the opposition drive for democracy.

Giving a relayed report from downtown Santiago, Mirna Concha states that "nearly 50 people are blocking traffic at the intersection of Alameda and San Antonio Streets after marching up San Antonio Street to the San Francisco Church." The reporter adds that "the Carabineros have appeared on the scene and are attempting to disperse the demonstrators, but they keep returning."

The radio announcer then reports from the studio that "according to the last police report on the incidents, 60 people have been arrested and are being held at several Santiago precinct houses." He adds that "the Carabineros have reported that most of the detainees were arrested for disrupting public order" and that "they will be set free over the next few hours after their addresses are checked." According to the announcer, "incidents are continuing between demonstrators and the police on several streets in downtown Santiago and in other districts of the city." He adds that "no injuries have been reported."

Reporter Mirna Concha then relays more information on the incidents in downtown Santiago. She says that "most businesses closed at sunset" and that "tear gas is still floating in the air, and the water cannon truck is still patrolling the area, dispersing groups of demonstrators who are shouting antigovernmental slogans." She concludes her report by stating that "an as yet undetermined number of people have been arrested in the past few hours in downtown Santiago" and that "some shop owners have lit fires in an attempt to neutralize the tear gas."

REAGAN OPPOSES COFFEE PACT; BETANCUR BLAMED

PA201812 Bogota EL TIEMPO in Spanish 13 Mar 86 p 4 A

[Editorial: "Reagan's Reply"]

[Text] We reiterate our disagreement with the way President Betancur has been indirectly complicating the future of the coffee pact. No Colombian -- especially not one who knows about the subject -- is unaware of the importance of the pact and its worthlessness if it is not supported by the United States. With a U.S. withdrawal there would be a catastrophic price war. For that reason, what has been done to prevent this is too little. We Colombians have an obligation to convince the U.S. Government to remain in the pact and to help defend prices in the future.

The desire to seek the paths of peace in Central America is very noble, but there are ways of exerting influence to achieve it. We agree with our colleagues from EL ESPECTADOR when they signal the danger of implementing foreign policy outside certain channels that have the privacy of diplomacy. Mr Reagan is not an easy man to cross [no es de facil acceso] and he would not like President Betancur's statements on U.S. Government assistance for the enemies of the Sandinist regime. Reagan is determined to ask for a favorable vote in Congress on supporting the contras. The Colombian president's statements to a U.S. newspaper were intended, above all, to counteract President Reagan's arguments. That is why President Reagan promptly replied and, to the alarm of Colombians, declared himself opposed to the extension of the coffee agreement.

Skillfully, the members of the Contadora Group have placed the blame on President Betancur's head. None of his counterparts comes to Nicaragua's defense as decisively as he does. We fear that our powerful northern neighbor will demand payment. The trouble is that the "payers" will probably be the next government and certainly all of the Colombian people. Nothing would be more prudent than to avoid this fight and to think, above all considerations, of the next government. It will have to bear the burden of whatever President Betancur does in the last months of his administration.

With every passing moment, it seems more important, especially for Colombia, to strengthen the OAS and from there to stage the fight to defend President Betancur's thesis. This would be the best way to throw off the bridle that could bring us so much trouble in the near future. Despite its defects, the OAS remains the best instrument for resolving the region's problems. That is the path that Contadora should have taken from the outset. To replace the OAS is neither easy nor advisable. There is still time. We hope that the president and his foreign minister will do that excellent favor for his successor, for the country's benefit.

M-19 COMMUNIQUE ON DEATH OF ALVARO FAYAD

PA201244 Bogota EL TIEMPO in Spanish 15 Mar 86 p 6 B

[By Ramiro Castellanos A. and Angel Molina B.]

[Excerpt] Following is an M-19 communique:

The top command of the M-19 informs its militants and national public opinion of the death of Alvaro Fayad Delgado last night at a residence in the Quinta Paredes neighborhood, where we were studying the critical situation that our movement is facing. The M-19 has suffered another misfortune with the death of Fayad, who founded, organized, and led our movement.

As on previous occasions, we inform our militants and the Colombian public in general that the top M-19 leadership has taken on a great and serious moral commitment toward our top commander Jaime Bateman Cayon, who, after death, is remembered by true revolutionaries with the slogan "Commander Pablo, we will keep our promise." After the deeply felt death of Commander Ivan Marino Ospina, our guerrilla organization adopted a hard line, moving away from the cease-fire agreements signed with the government in 1984, a position that led the M-19 to declare a frontal war against the repressive forces of the current fake, Belisario Betancur.

If we make a disheartened analysis, we can simply say that the M-19 will continue to be implacable in its efforts until the end. Because of this we are certain that victory is nearby and that we will not betray our revolutionary cause since the revolutionary panorama has been cleared with the death of he [Ivan Marino Ospina] who, inefficiently and with a lack of military and tactical ability, but with deep-rooted ideological sectarianism and personal ambition, took over as commander of the movement in 1984.

Upon taking over the command of the M-19, he blamed Carlos Pizarro Leon Gomez for the death of more than 100 fighters, because Pizarro and the deceased Fayad had led them to their graves, taking with them in a very short time the movement's greatness and solidity. As the organization's sole commander, he invited all of the militants to that united in the slogan "Commander Jaime Bateman, we will keep our promise," we would accept this challenge and adopt an attitude that would put an end to our mistakes, and accept the challenge with a total sense of self-criticism and with revolutionary honesty.

It is also a part of our mission to not cover up our mistakes, regardless of who has made them. The revolutionary movement born of the braveness of our Commander Pablo will continue courageously facing the enemy, confronting our mistakes among ourselves, confronting every trend, group, or armed force that on the people's behalf commits crimes against the people.

Companeros of the M-19 and people of Colombia: Our values have an axis and a direction, and we must be united so that our banners can remain truly clean and authentic. "Commander Pablo, we will keep our promise."

By the top commander of the M-19, Gustavo Arias Londono; Bogota, 14 March 1986

CLASHES BETWEEN AMERICA BATTALION, ARMY CONTINUE

PA201350 Bogota Television Service in Spanish 0000 GMT 20 Mar 86

[Text] In Valle Department, clashes between guerrillas of the decimated America Battalion and the Army have increased in the urban area of Cali. The public order situation, so precarious in Cali in recent days, has claimed new lives. A metropolitan policeman and a guerrilla of the M-19 died when a group of rebels tried to attack a police post in Juanchito, a well known Colombian resort. The subversive's goal was to dynamite the bridge over the Cauca River in that important resort area. Police courageously attacked the guerrillas who were riding in a Willys four-wheel drive vehicle. They were carrying dynamite and all kinds of explosive materials used to commit the various crimes that have been recently committed in Cali. In (Turibillo), a small municipality 68 km south of Cali, the situation was more violent. According to initial reports issued by the authorities, an undetermined number of troops and guerrillas were killed. The rebels held up the Caja Agraria, the only local bank, and fled. Apparently the M-19 is carrying out a counteroffensive in various locations seeking to relieve pressure on the survivors of the battalion of 200 men who attacked Cali in an operation which the military sector and guerrilla desertors described as crazy.

FEBRES CORDERO PRESENTS EVIDENCE AGAINST VARGAS

PA201830 Quito Domestic Service in Spanish 0103 GMT 20 Mar 86

[Speech to the nation by President Leon Febres Cordero; live or recorded -- broadcast in progress]

[Excerpts] ...democracy and that maintained all the Ecuadoran citizens extremely concerned [words indistinct] unity of the Ecuadoran Armed Forces [words indistinct] insubordination, conspiracy, and armed revolt of the former commanding general of the Air Force, have shown the country how deeply rooted the constitutional principles are and their dedication to the maintenance of their sacred and patriotic duties.

The maturity of the great national majority has also been shown. It has accompanied and supported the government in overcoming this delicate matter. The essential forces of the Ecuadoran homeland, its church, the [word indistinct] legislators, the unions and the associations have (?stood firm), watching over the reestablishment of peace, giving us encouragement to put down (?this sedition).

[Words indistinct] or to try to explain [words indistinct] because for this the state institutions and the democratic life of Ecuador have channels that have been clearly established to resolve the contradictions and problems that are the product of the daily coexistence of men, aspirations, and wills, and absolutely nothing can [words indistinct] the violation of the law [words indistinct], much less take us to a confrontation between brothers and the unfortunate loss of Ecuadoran lives.

All Ecuadoreans are witnesses to the tolerance, level-headedness, and mediation that characterized the acts of the national government. In the various episodes that the country followed step by step, we kept you duly informed because we had the obligation of seeking the reestablishment of order and the return to normalcy. We did not (?disregard) any efforts. We even carried out efforts through which the dignity of even those who had violated the Constitution was preserved [words indistinct] of all the Ecuadoran nation. Unfortunately, this was of no use to those who had already made the decision to destroy the democratic and constitutional life of Ecuador.

Let the episode that we have fortunately overcome serve as a lesson. Let it serve to strengthen our democracy and republican life so that a constitutional system will always prevail in Ecuador. Let the judging of the incidents by impartial and legal courts be the best way to maintain the country's social and legal order unharmed.

There have been efforts to find justification for the rebellion by making statements and accusations that [words indistinct] harm the honor and morality of the high-ranking circles of the national government. In a malevolent and [word indistinct] way, there has even been [words indistinct] stain even our office as president of the republic and [words indistinct] using a patriotic achievement of this government, the purchase of an airplane to provide service to remote Loja Province.

Ecuadoreans, you know that when I make accusations or defend something I always do so with irrefutable documents as proof. That is why I take your time of your tonight to prove to the Ecuadoran people, our most important judge, the reality of the events that have taken place.

During the electoral campaign, I promised Loja Province and its people that if I were elected president, I would buy a new airplane to provide service from Loja to Quito and Guayaquil. After 10 August 1984, as president of the Republic, I asked the Ecuadoran Air Force [FAE] to select the best new airplane to keep my campaign promise of integrating remote Loja Province with the rest of Ecuador through air service.

On 10 July 1985 through Document No. 1920, which has additional numbers, General Frank Vargas Pazzos, commanding general of the FAE, wrote to Defense Minister General Pineiros and stated the following: Attached you will find [words indistinct] of the study of commercial airplanes for service in Loja Province which was prepared by the FAE staff so that if approved, it can continue to be processed.

[Words indistinct] of the same year, the defense minister addressed the president of the Republic and stated the following: Mr President: By this means I remit to you, Mr President [words indistinct] the information on the commercial airplanes for service in Loja Province and after the respective study, the FAE recommends the Fokker F28 MK 4000 airplane.

In other words, compatriots, Gen Vargas [words indistinct] selecting the Fokker F28 MK 4000 as the best plane for the commercial routes of Quito-Loja and Guayaquil-Loja. The defense minister sent this document to the president of the Republic.

On 2 September 1985, without the knowledge of the Presidency of the Republic or the Defense Ministry, Gen Frank Vargas Pazzos -- here is the document with the corresponding signature -- addressed the Fokker company and stated the following: The FAE, after an exhaustive study of the offer you presented on 13 December 1984 and on the basis of the study of May 1985, has decided to continue the negotiation in a direct government to government manner for the Fokker airplane for the transportation of passengers by the Ecuadoran Military Air Transport, TAME, especially for air service to the city of Loja. He added: While the purchse of the plane is (?legal), the FAE requests the signature [words indistinct] for placing into service the first days of [words indistinct]. He added: Therefore, we request the presence of your technical and legal representatives in Ecuador to formalize the terms of the contract and the conditions of the negotiation.

That document was signed without my authorization or that of the defense minister by Gen Frank Vargas Pazzos on 2 September 1985 in a letter to the Fokker company, manufacturer of the plane. This letter not only shows that Gen Frank Vargas Pazzos arrogated to himself functions that he does not have because he does not have the legal authority to sign a letter of intent, but it also shows haste in having the place arrive in the country.

What was the plane's purchase price? It cost 40,250,000 florins. In other words, at the price [words indistinct] December 1984, as I am confirming with these documents plus the extra features which Lt Gen Vargas Pazzos demanded that had to be part of the plane. This is why the price of the airplane went to the maximum figure of 40,240,000 florins instead of 26,500,000 florins: because Vargas and the FAE demanded all of these additional [words indistinct] as an integral part of the plane.

On 2 December 1985, here is the document signed by Gen Vargas Pazzos in which he addresses the defense minister again as follows: According to the proposal presented by the Fokker B.V. Company for the initial production of spare parts, [passage indistinct] the pertinent documents in which it is said [passage indistinct] in conformity with that which is stated in Clause 4, letters A, B, and C, of said contract, a photocopy of which I am enclosing for legal purposes. In other words, it is Gen Vargas himself who (?chose) the list of spare parts... [changes thought] of the list of the prices of the spare parts for the planes which totals 13,240,000 florins.

While the Presidency of the Republic, [words indistinct] decree that I presented to you authorizing the purchase of spare parts for up to 16 million florins, it was Vargas himself who chose spare parts, on 2 Debember 1985 totalling not 16 million florins but 13,240,000. On 2 January 1986, a report accepting the plane was issued by the FAE General Staff under the command of Gen Vargas Pazzos who by then was not only the FAE general commander, but chief of the Armed Forces Joint Command.

Later, Ecuadoreans, I was saying [words indistinct] commercial flights from Loja to Quito, Quito to Loja, and from Loja to Guayaquil, the Guayaquil to Loja.

Suddenly, after Gen Vargas' rebellion on Tuesday, 3 [as heard] March 1986, in a television newscast through statements of [name indistinct], legal adviser of the Defense Ministry, I learned that Gen Vargas received two checks from the Fokker company whose photocopies (?I have here): one dated (?6) January 1986 for $50,000 in the name of the FAE ?technicians) club and the other with the same date, (?6) January 1986, in the name of the FAE officers club. As was proper, I asked [name indistinct] not only to send me the photocopies of the checks, but also the receipts signed by the FAE whose copies I have here. One receipt states: Receipt for (?$50,000): received from the representatives of the (Coneisa)-Fokker B.V. the sum of $50,000 as a donation for the FAE (?technicians) club in check number such and such [words indistinct]. Quito, (?13) January 1986. Signed: [name indistinct] Air Force lieutenant, paymaster [words indistinct]. [Words indistinct] that we have received from the representatives of the (Coneisa)-Fokker B.V. the sum of (?$200,000) as a donation for the FAE Officers Club in check number such and such of Citibank International. Quito (?13) January 1986. [Name indistinct], paymaster [words indistinct].

With the closing of the chapter of the Gen Vargas' rebellion yesterday, 17 March [as heard], I asked the secretary general of administration to urgently address the Fokker agent in Ecuador, Mr Carlos Crespo, manager of [name indistinct]. He stated the following: Mr Manager, since it has been charged that Gen Frank Vargas Pazzos, former FAE commanding general, received (?$250,000) from the Fokker company, please state the reasons why the company you represent gave such a sum to the FAE, as well as an account of events and documents that were involved with the request and the delivery. In addition, state the causes for such a commitment and what FAE officers knew this was being done.

Yesterday, the (Coneisa) company, Fokker representative in the country, sent us [words indistinct] through the secretary general of the administration: At the end of the negotiations dealing with -- listen well Ecuadoreans -- at the end of the negotiations dealing with the purchase by the Ecuadoran Government of the plane and in view of the repeated request -- the repeated request -- of Gen Vargas Pazzos as FAE commanding general for the allocation of a sum higher than the one delivered [words indistinct] in benefit of the FAE, we agreed to pay, (?I quote), $250,000 that was given in the manner stated by Gen Vargas.

In other words, at the end of the negotiation, Gen Vargas Pazzos asked the Fokker company agent for a delivery of more than $250,000. They then reached a compromise with Gen Vargas for the sum of $250,000. We believed, the agent said, that the destination of these funds justified our cooperation with the organizations to which the checks were issued. In order to meet your request, the Fokker representatives stated to the secretary general of administration, we indicate that the requests by Gen Vargas were made in the presence of Generals Armando Duran and Angel Flores, Colonel Guillermo Moreira, Major Salinas, and Alfonso Rivadeneira, secretary of the FAE headquarters, among others.

Fellow countrymen, three essential facts are derived from the documents that have been presented. First, the technical suitability for the Fokker plane was recommended and selected by the FAE with documents sent and approved by Gen Frank Vargas Pazzos. Therefore, if the plane is not suitable, as has been unjustifiably argued, it would be the exclusive responsibility of Gen Frank Vargas Pazzos who recommended its purchase.

Second, the airplane involved in the negotiations was new from the factory and unused, as has been reported. The document that proves that the airplane is new from the factory is the receipt [words indistinct] just shown you [words indistinct] members of the FAE. Therefore, if the plane was not new -- something that is not true -- Gen Frank Vargas Pazzos and his representatives who received the plane would be the ones responsible.

Third, if the price that was paid was excessive [words indistinct] it would be the responsibility of Gen Frank Vargas Pazzos because he intervened in all steps of the negotiation. He knew and approved the purchase of the plane [words indistinct] Without my authorization or that of the defense minister he gave the letter of intent to Fokker to begin the negotiations even before it was approved by the president of the Republic and the Defense Ministry. Gen Vargas knew the airplane's selling price, a price in florins. The negotiations were always in florins. [words indistinct] a long period between the date of the offer and the purchase date, November 1985. The list of extra equipment in the plane, more than [words indistinct] in additional equipment, was chosen by the FAE and Gen Frank Vargas Pazzos. The same is true for all the spare parts [words indistinct] that were purchased for that airplane.

Countrymen, the accuser, Gen Frank Vargas Pazzos, has not presented any proof, not a single proof that permits the establishment of the responsibility of sectors of the national government in some illegal action. On the contrary, the documents that you have seen are proof that he and only he, Gen Frank Vargas Pazzos, requested large sums of money from the sellers so that [words indistinct].

Ecuadoreans, what did Gen Frank Vargas Pazzos seek with such a [word indistinct] accusation? The (?goal) is clear, very clear: to break the morale, to morally discredit the national Armed Forces, the base of the structure on which the constitutional system and our democracy rests, and to [word indistinct] affect the honor of a government that has been characterized by the morality and clearness with which it has acted on each and very occasion. In this way, by dividing the Armed Forces and striking a blow at the government, he would have a favorable climate for the political conspiracy that fortunately [words indistinct]. It is easy [words indistinct] to stain the honor of individuals and institutions [words indistinct].

It is satisfying to prove to you, 9 million Ecuadoreans, with documents in hand that the actions of the government -- as I swore -- will always be in accordance with law and honesty. This is seen from the existing documents. This is what the presidency knows. This is what has been reported to the courts of justice. We have sent all these documents to [words indistinct] investigate the case, the president of the Congress, the chairman of the congressional commision to investigate this, the [words indistinct] of the Republic. Nevertheless, this is a democratic country where there are legal procedures and competent courts and only they will have the last word.

For our part, (?I promise again) that there will be no hesitation in punishing with the full rigor of the law anyone who is found guilty of any illegal action in this and in any other affirmation or accusation. What is not acceptable, what I must energetically reject backed by the documents that I have presented to the Ecuadoran people [words indistinct] who have not hesitated in scandalizing the Republic without any grounds [words indistinct] can not accept the government's identification with the high popular interests and who have tried to create an atmosphere that harms our actions without caring about the truth of the events.

Ecuadoreans: [words indistinct] in benefit of justice, the fulfillment of the laws, the [words indistinct] there will be no victims or persons responsible for those victims, where no objective other than the Republic's moral and social well-being is sought, where there is no other desire but to proudly see our flag waving, honored by the discipline, abnegation, and the courage of the three branches of our Armed Forces, the National Police, the [words indistinct] our Ecuador that fortunately had a place of honor among the peoples who permanently struggle for freedom and dignity. Good night and thank you very much.

DEFENSE MINISTRY OFFICIALS DESIGNATED

PA210329 Quito Radio Quito in Spanish 2300 GMT 20 Mar 86

[Text] Major General Medardo Salazar Navas, retired, has been designated defense minister to replace General Luis Pineiros, who resigned a few days ago due to the recent incidents led by General Frank Vargas Pazzos. The new official's installation took place today in the presence of President Leon Febres Cordero and the top military hierarchy that approved his appointment.

Acting Defense Minister General Jorge Azanza is now general commander of the Armed Forces and chief of the joint command, replacing General Manuel María Albuja, who presented his resignation to the president due to the incidents that took place a few days ago among ranking military officers.

It has also been reported that General Edison Garzon Mareno is the new under secretary of the Defense Ministry, replacing General Azanza.

WAGNER DISCUSSES BORDER TROOP DEPLOYMENTS

PY191627 Santiago Domestic Service in Spanish 2300 GMT 18 Mar 86

[Text] Peruvian Foreign Minister Alan Wagner has told the Lima newspaper EL NACIONAL that there is no plan to withdraw Peruvian troops from the border with Chile. The foreign minister also told the morning newspaper that school books on the Pacific War must not encourage differences between the children of Peru and Chile. We have more details about this report from our press department in Arica.

[Begin relay] Peruvian Foreign Minister Alan Wagner told the Lima newspaper EL NACIONAL that quote, there are no plans to withdraw forces from the border, unquote, when he was asked about Peruvian reports that indicate that during the summit meeting of the Chilean and Peruvian military chiefs, which is to be held in May 1986, there will be talks on withdrawals from Arica and Tacna, respectively, to Iquique and Arequipa. He stated that what is being considered is a process of talks that will deal with this modification of the idea of the security needs of each country that will allow advances along a path that could sometime lead to what is mentioned in those press reports.

The Peruvian foreign minister stressed that this topic is not on the agenda of the May meeting. He added that during a stopover in Santiago on his return from Punta del Este, he talked with Chilean Foreign Minister Jaime del Valle and that both of them agreed that the topic would not be discussed during the May meeting. He explained that this subject has not been proposed by either Chile or Peru as one of the first objectives in the talks on limiting military expenditures. Asked whether talks can be held with Chile without including Bolivia, Wagner said that Alan Garcia's government has a clear-cut policy regarding Bolivia, which for the Peruvians is more than a neighbor, it is a brother country. Peru and Bolivia were once a whole and that unity cannot be destroyed. We are closely linked to our neighbor. We have shared glories and vicissitudes with Bolivia that have formed a very strong link of unity between the two countries, he concluded.

Alan Wagner expressed his regret to EL NACIONAL regarding the wrong interpretation that has been given to the initiative of the Chilean and Peruvian foreign ministers that is contained in the document that was signed in Lima by the two countries and which calls for the two countries to revise their history books regarding the Pacific War so that they will contribute to the growth of cooperation, which is the long-term objective. Thus, the minister refuted accusations made in his country on the use of school books containing the Peruvian version of the Pacific War. He recalled that his and his Chilean colleague's position is contained in Article 15 of the Andres Bello Agreement that was signed and ratified by the member countries of the Andean Group, including Chile, which, despite its having withdrawn from the Group, still adheres to the agreement.

Wagner stated that it is our intention to implement this article that is contained in an agreement of which we are one of the partners. It is regrettable that this has been interpreted as though we were going to propose a revision of the history books that would distort history, that would diminish the heroism of our heroes, that would cover up the responsibilities of the war's origin, or some such thing. From Arica, this has been Jorge Alfaro for Radio Nacional Chile. [end relay]

SHINING PATH OPENS NEW FRONT IN PUNO DEPARTMENT

PY210059 Paris AFP in Spanish 1803 GMT 20 Mar 86

[By Hugo Levan]

[Text] Lima, 20 Mar (AFP) -- Political observers have remarked in this capital that the Maoist Shining Path terrorist group recently opened a new front, in addition to the ones in Huanuco and Ayacucho, which are northeast and southeast of Lima, respectively. The Shining Path accomplished this by razing to the ground two peasant cooperatives in Puno Department. The situation has gone so far that peasant leaders have sought out Prime Minister Luis Alva and asked him to declare a state of emergency and instruct the Army to move in and fight the rebels.

Puno, 72,000 square km in area with a population of 1 million, is located on the Andean Plateau along the border with Bolivia on the coast of Lake Titicaca in southeastern Peru. Shining Path guerrillas appeared in this region in 1982. In August of last year, they attacked a police station in Umachiri, near Ayaviri, the capital of Melgar Province. After that their actions declined until early 1986, when they started to attack local peasant cooperatives.

At the end of January 1986, some 80 guerrillas attacked the SAIS (Social Interest Agricultural Society) Zollocota, Azangaro Province. They shot to death three cooperative managers and destroyed trucks, tractors, and administrative facilities. The terrorists used the same tactics on 15 March in the nearby SAIS Macalla, setting fire to administrative buildings and destroying farming equipment. The SAIS, peasant cooperatives dating from the 1969 agrarian reform, are bases of prosperity amid the overall rural poverty. Zollocota and Macalla own vast grazing lands where thousands of sheep are bred, and they also have technical resources. The Shining Path terrorists consider them their favorite targets.

In Ayacucho, these cooperatives have been raided repeatedly. On 10 February, the guerrillas razed the prosperous Los Jardines Cooperative, 600 km northeast of Lima, to which 1,200 peasants belong. They did the same in December to an SAIS near Huancayo, 130 km east of Lima. According to experts, the Shining Path efforts in Puno are directed at obtaining the support of poor peasants, whom the large estate owners have pushed onto the hilly and unproductive land.

As a result of this situation, the peasant cooperatives own 90 percent of the land in Puno while 162,000 families have nothing, especially in Melgar and Azangaro Provinces located at an altitude of 4,000 meters, where the Shining Path has been active for 4 years. After a recent visit to Puno, a department that for 4 months has been besieged by rains and floods that have disrupted 30,000 families, President Alan Garcia said that the SAIS had turned into the heirs of the landed gentry of the past and that he would take steps to correct this situation. Garcia reiterated that he plans to give high priority to the development of the so-called Andean Trapezium, the southeastern Andean area which encompasses the Departments of Puno, Cusco, Apurimac, Ayacucho and Huancavelica and the plateaus of Arequipa, Moquegua, and Tacna Departments.

In Ayacucho, the actions of the Armed Forces have curbed the attacks of the Maoist group, but the Shining Path is still entrenched in the jungles of La Mar Province, on the eastern slope of the Andes, and in the mountainous area of this department, which is 600 km southeast of Lima.

In Huanuco and Cerro de Pasco, some 400 km northeast of this capital, where the Shining Path began operating in 1984, the terrorists have destroyed hydroelectric dams and bridges and attacked many mines to steal dynamite, their main weapon of terror. In Huanuco, the terrorists are based in Dos de Mayo and Huamalies, relatively isolated provinces near the Blanca Mountain Range in Ancash Department, which gives them access to that department.

It would seem that the Shining Path strategy is aimed at pitting the impoverished peasants of the mountains against those of the plateau, who have better land. The three Shining Path fronts are located in neglected, impoverished, and mountainous regions with few means of communication. It is very difficult for the armed and police forces to operate in this area.

ORDER FOR MIRAGE PLANES REDUCED FROM 24 TO 12

PY201419 Lima Panamericana Television Network in Spanish 0300 GMT 20 Mar 86

[Text] The Marcel Dassault factory has agreed to reduce the number of Mirage planes that the previous Peruvian administration had ordered. Under the terms of the agreement, negotiated by a Peruvian commission headed by presidential assistant Hector Delgado Parker, the number of planes was reduced from 24 to 12, with an option to (?buy) 2 more in the future. This reduces by $300 million and $200 million respectively the principal and the interest of the contract. The order includes a flight simulator, spare parts, and ground equipment. It is believed that this purchase will give Peru sufficient deterrent power.

The commission headed by Hector Delgado Parker is made up of General Julio Hesse, chief of the general staff, Foreign Ministry representative Gabriel Garcia, and Javier Avogata, director of the foreign (?credit) department of the Economy Ministry. The agreement, negotiated directly with the manufacturer, with French Government approval, annulled the fines and penalty clauses of the previous contract.

BRIEFS

COLOMBIAN TRADE INCREASE -- Lima, 16 Mar (AFP) -- Upon his return from Caracas today Peruvian Industry, Tourism and Integration Minister Manuel Romero said that the Peruvian and Venezuelan governments have agreed to increase their commercial trade to $100 million. The minister recalled that currently trade between the two countries amounts to $75 million and said that this flow will be increased mainly through the export of non-traditional goods. [Summary] [Paris AFP in Spanish 1911 GMT 16 Mar 86 PY]

1985 MINERAL PRODUCTION -- Lima, 9 Mar (EFE) -- According to a report released by the Peruvian State Mining Enterprise, the Peruvian mineral production during 1985 increased but the amount of foreign currency for mineral exports dropped. According to the report, copper production increased from 375,000 metric tons in 1984 to 400,800 in 1985; while lead production increased from 205,000 tons to 209,500 tons; zinc from 558,400 tons to 593,500 tons; silver from 1,758,000 ounces to 1,849,975 and gold from 5,100 to 5,850 kilos. However, income on mineral exports did not increase because of the drop of international prices. Consequently, Peru exported minerals worth $779 million, that is, $132 million less than in 1984. [Summary] [Madrid EFE in Spanish 1735 GMT 9 Mar 86 PY]

GOVERNMENT-OPPOSITION TALKS SUSPENDED 48 HOURS

PY191537 Paris AFP in Spanish 0252 GMT 19 Mar 86

[Text] Montevideo, 18 Mar (AFP) -- It has been reported here that the negotiations between the government and the opposition for a 3-year intraparty agreement were suddenly suspended for 48 hours at the request of the leftist Broad Front coalition.

Broad Front leader Hugo Batalla explained in Congress this afternoon that the talks were postponed on account of a statement by Wilson Ferreira Aldunate, leader of the centrist National Party. Aldunate's statement bothered the leftist leadership.

On 16 March, upon returning from Europe, Aldunate admitted that if the intraparty agreement was satisfactory, his party would participate in the government cabinet. This statement has led the left to suspect the existence of a bilateral agreement between the government and the National Party.

We will not participate in the negotiations only to witness an agreement between others, a Broad Front source told AFP. The Broad Front has likewise expressed its concern over the short time the political negotiators had for a meeting with Economy and Finance Minister Ricardo Zerbino on 17 March. Zerbino today traveled to Costa Rica to participate in the annual IDB governors' meeting. The Broad Front believes that there was not enough time to discuss the subjects it considers fundamental to an agreement.

SANGUINETTI TO VISIT MIDEAST, C. AMERICA

PY200246 Montevideo Radio Carve in Spanish 0000 GMT 20 Mar 86

[By Tomas Friedman at the Foreign Ministry]

[Excerpts] The Foreign Ministry tonight released a communique on the upcoming trips the president of the Republic will make to Israel, Egypt, and Mexico. The communique states that at the invitation of the Egyptian Government the president of the Republic will make an official visit to Egypt from 27 April to 1 May.

In addition, at the special invitation of the Israeli Government, President Julio Maria Sanguinetti will make an official visit to the State of Israel where he will stay until 5 May. Afterward, at the invitation of Mexican President Miguel de la Madrid, Sanguinetti will make an official visit to Mexico from 5 to 7 May. Finally, on 7 May the president of the Republic will go to Costa Rica to attend the inauguration of President-elect Dr Oscar Arias. The communique states that this visit will permit the strengthening of the good relations between the Uruguayan people and brotherly peoples.

As part of the international contacts, the Foreign Ministry has confirmed that Venezuelan President Jaime Lusinchi, Peruvian President Alan Garcia, and UN Secretary General Javier Perez de Cuellar will soon visit Uruguay. Foreign Minister Enrique Iglesias, along with other Uruguayan officials, will travel to Brazil tomorrow to strengthen commercial ties and implement the agreement signed by Presidents Sanguinetti and Sarney.

PEMEX DIRECTOR REJECTS OIL PRICE DISCOUNTS

PA192257 Mexico City XHDF Television Network in Spanish 1955 GMT 18 Mar 86

[Excerpt] Pemex Director Mario Ramon Beteta today asserted: Mexico will not waste its oil, participate in irregular commercial practices and speculations, or offer discounts. The country's difficulties are due partly to its own mistakes and miscalculations, but to a great extent they are also caused by the unfairness of an international economic system that is indifferent to the need for evolution of developing countries. The Pemex director said that refining and petrochemical activities will never pass into foreign hands. He added: Let everyone forget about the remotest possibility of granting to others the right to exploit our hydrocarbons. Let everyone keep in mind that, beginning with Cardenas [Lazaro Cardenas, Mexican president 1936-1940] and as President Miguel de la Madrid asserted vigorously, Mexican oil will always belong to Mexico and no one else.

Beteta admitted to the president that the country is in a difficult situation and said that the only genuine stance should be a combative yet sensible and reasonable one, without fruitless haste or delays. Beteta said that this difficult situation will force Pemex to lower its current expenses, make severe adjustments, and concentrate prospecting activities in the country's southeast.

The solution to the world oil problem is to reach an agreement by all exporters to control oil production. Beteta said that Mexico is prepared to continue the dialogue leading to a reorganization of the world market. The Pemex director said the country received $15.5 billion for crude oil and oil byproducts last year and that Pemex' profits reached nearly 4 trillion pesos. Pemex' debt has been lowered by a fifth. Verified oil reserves total more than 70 billion barrels.

PRIVATE SECTOR DEBT EXCEEDS $18.5 BILLION

FL171802 Mexico City NOTIMEX in Spanish 0245 GMT 16 Mar 86

[Text] Mexico City, 15 Mar (NOTIMEX) -- Mexico's private sector foreign debt exceeds $18.5 billion, giving it a current negative trade balance of $182.9 million. This was included in a report presented by Julio A. Millan, president of international consultants, who explained that the trade balance is negative because exports decreased by $398 million. He added that while exports decreased, imports increased to $2.57 billion.

During the 28th annual conference of sales and marketing executives, Millan said that in the past 3 years the public sector has been the principle generator of income and has achieved an important trade balance exceeding $38.635 billion at the end of 1985.

AREA GOVERNMENTS SILENT ON CONTRA AID REJECTION

PA210155 Panama City ACAN in Spanish 0045 GMT 21 Mar 86

[Excerpts] Panama City, 20 Mar (ACAN-EFE main office) -- Today the Central American governments kept silent on the U.S. Congress' rejection of the aid for the anti-Sandinists, while a spokesman of Eden Pastora's guerrillas asserted that the refusal "offers a better chance" for the opposition.

The Costa Rican Government has elected not to make any comments about the rejection of the aid in the House of Representatives. Asked by ACAN-EFE, Costa Rican Foreign Minister Carlos Jose Gutierrez said: "We are making no comments because this is a matter of U.S. domestic policy."

Asked whether this decision contributed to a Latin American solution for the Central American crisis, he said that "it will be necessary to wait for" the new meeting of the Contadora Group (Mexico, Panama, Colombia, and Venezuela), the Support Group (Peru, Brazil, Uruguay, and Argentina), and the Central American foreign ministers convoked for 5 and 6 April.

Gutierrez said that "the effect of this decision will be seen" in the next Contadora meeting "where the document's negotiations will be completed." The foreign minister recalled that Nicaragua assumed a "broad stance" at Contadora in 1985, prior to the vote in the U.S. Congress for the $27 million in humanitarian aid and that the country assumed "an entirely negative stance after the voting." He said: "Let's see what happens in 1986."

Similarly, the Honduran Government did not want to express an opinion and officials of the presidency and the Foreign Secretariat who were consulted only said: "This is a sovereign decision of the U.S. House of Representatives."

In Guatemala City, Foreign Minister Mario Quinonez stressed: "Guatemala has reiterated its neutrality in the Central American conflict." He told ACAN-EFE: "The granting or denying of aid to the anti-Sandinists is a problem of the United States and Nicaragua in which Guatemala will not take sides." Asked about the matter, the Guatemalan Army press director answered: "No comment."

In San Salvador, neither the government nor the Army made any comments. Presidential, diplomatic, and military spokesmen said that any official reaction will be announced by the Ministry of Culture and Communications after the government makes consultations.

COSTA RICA

ARIAS 'RESPECTS' U.S. CONGRESS AID DECISION

PA210414 San Jose Radio Reloj in Spanish 0100 GMT 21 Mar 86

[Text] President-elect Oscar Arias has said that he respects the U.S. Congress' decision to refuse $100 million in aid for the Nicaraguan counterrevolutionaries. Arias stressed the democracy prevailing in the United States and the extent of their debates on matters of national interest, a situation that would never occur in dictatorial regimes. He said: For this reason, I have repeatedly said that the search for peace must occur in democracy through dialogue and permanent compromise and negotiations.

He also said that the U.S. Congress resolution will let Nicaragua show whether it is acting on good faith and whether its leaders want to establish a democratic regime. He also said: If they are sincere, they should initiate a dialogue with the opposition parties and their political adversaries.

He has reported that he and his future deputy foreign minister are currently working on goals for Nicaragua and their deadlines that normalcycan be restored in Central America. He also said that democracy must redouble its efforts for a positive transformation in Nicaragua. This transformation should help Nicaragua fulfill the ideals that inspired its revolution, the ideals that the commanders included in their pledge to the OAS in 1979. According to Arias, the Nicaraguan leaders now have the last word, and it will be up to them whether a peaceful and profitable negotiation for the Nicaraguan people is initiated or violence escalates in their territory sooner or later.

GUATEMALA

CONGRESS PRESIDENT CABRERA ON AID TO CONTRAS

PA200438 Guatemala City Cadena de Emisoras Unidas in Spanish 0500 GMT 20 Mar 86

[Text] Alfonso Cabrera Hidalgo, president of the National Congress, he said that he respects the U.S. Government's decision, but he has reaffirmed his conviction that there is no possible military solution to the regional conflict. The statements by the president of this high state organization came when he was asked about the U.S. leader's decision to seek approval of $100 million to help the contras fighting against the Nicaraguan Government.

We believe that if a military solution is sought in the region, Cabrera Hidalgo continued, there would be great consequences, and the conflict could be Vietnamized, which would complicate the democratization process. This is why I feel and have said publicly as well as privately that it is necessary to find a peaceful political, and negotiated solution of the Nicaraguan crisis.

Cabrera Hidalgo later added that in this regard he believes that with the decision to establish the Central American parliament, which will be achieved through the meeting of presidents in the region, we will gain the right to solve our own problems.

COMMENTARY CRITICIZES CONTRA AID PROPOSAL

PA201418 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 20 Mar 86

[Station commentary: "$70 Million for Arms That Will Solve Nothing"]

[Text] The U.S. Congress today began debating President Ronald Reagan's crazy idea for the approval of $100 million in aid for the so-called contras. Of this huge amount, $70 million will be used to buy weapons to attempt to overthrow the Sandinist government in Nicaragua. We ask ourselves: Which U.S. arms manufacturer will profit from the $70 million? What agreements does Mr Reagan have with the merchants of death? How many children, women, elderly, and soldiers will die if this aid is approved? How many Central American towns will disappear from the face of the earth? How many cornfields will be destroyed? How much blood will be shed due to the warmongering obstinancy of the President of the biggest world power?

Oscar Arias, Costa Rican president-elect and political expert, said that those $100 million would be well received in Central American countries that need them for health, education, and housing. We support President-elect Arias because if they are used for weapons, those dollars would only bring grief to a region that has already lived through such unfortunate experiences.

Ever since the philosopher Plato laid the foundations of dialogue as a method leading to valid conclusions, humanity has worked hard to resolve its differences through this method. Sinister souls filled with evil and prejudice are the only ones who cannot sit down to a dialogue with their opponents and even less with their political enemies.

The time has come for Central America to stand up and demand that the $70 million that Ronald Reagan wants to give to the former Somozists to topple the Sandinists be denied. Fortunately, the U.S. Congress is still controlled by the Democrats and the U.S. President, who is now risking his prestige as a leader, is expected to experience a personal, political, and tactical defeat. Let us hope to God that this will be so. May God help us if this is not so because who knows where the $70 million in sophisticated weapons will end up. That money can lead to an unprecedented war. Weapons will not solve a crisis that we Central Americans must resolve without foreign interference of any kind.

HONDURAS

TROOPS REPORTEDLY DEPLOYED TO BORDER AREA

PA202057 Paris AFP in Spanish 2014 GMT 20 Mar 86

[Text] Tegucigalpa, 20 Mar (AFP) -- There was an atmosphere of tension today on the Honduran border with Nicaragua, a few hours before the U.S. Congress decides on $100 million in aid for the Nicaraguan counterrevolutionaries.

An Armed Forces spokesman reported only that troops have been sent to the zone bordering with Nicaragua to reinforce vigilance, but he did not disclose the number of troops sent. Meanwhile, Nicaraguan rebels in Honduran territory are preparing to celebrate the possible approval. The Honduran troops were deployed after the Sandinist Army sent tanks and truckloads of soldiers to northern Nicaragua in case of an eventual contra attack.

Honduran peasants living in the zone bordering on Nicaragua reported to a local radio station that there are at least 3,000 rebels waiting patiently in Honduras for the approval of the millions of dollars in aid from the U.S. Congress. Nevertheless, the Honduran military spokesman did not comment on the counterrevolutionaries' presence in the border area. The local media also reported that at dawn today thousands of anti-Sandinists continued to arrive in Honduran territory fleeing from the Sandinist Army.

In recent days, the rebels have carried out constant attacks against border towns in Nicaragua. Sources close to the Nicaraguan Government noted that it fears that the anti-Sandinists may attempt to launch "spectacular" operations. A spokesman for the Nicaraguan Democratic Force (FDN) in Honduras reported today that the contras have plans for a special celebration if the Congress votes in their favor. He also said that the FDN has been waiting for that economic aid to better prepare and restart their struggle with greater military power in the coming days.

Meanwhile, in this capital, Honduras' major labor leaders expressed their concern over an announcement by a U.S. spokesman that U.S. military advisers will openly train the contras in Honduras. The secretary general of the Honduran Workers Confederation (CTH) said that if the contras obtain greater economic aid "we would come closer to war, and Honduras would be serving as a springboard for an invasion of Nicaragua."

Moreover, the Honduran Govenment is trying to ignore the consequences that an increase in economic aid for the Nicaraguan rebels would have for the country, and top government spokesmen are saying that "this is a problem of the U.S. Administration."

Army Refutes Reports

PA210513 Hamburg DPA in Spanish 0466 GMT 21 Mar 86

[Text] Tegucigalpa, 20 Mar (DPA) -- Tonight the Honduran Armed Forces denied deploying 5,000 troops to the border with Nicaragua, refuting reports being broadcast since yesterday in Tegucigalpa. Yesterday dispatches from this city citing a "military intelligence spokesman" as the source, stated that in an "unusual Armed Forces operation, 5,000 soldiers had been deployed to the border with Nicaragua," as well as anti-aircraft artillery and war tanks.

The operation, the report said, "was authorized by the Armed Forces High Council." Consulted tonight by DPA, Major Jorge Arguello, Armed Forces public relations director, said that "the information is false, there has been no deployment, far less the deployment of so many soldiers to the border with Nicaragua."

Maj Arguello pointed out that there has been a deployment of troops to the southern and eastern parts of the country from Palmerola in the north central area, to Choluteca and Ojo de Agu, more than 60 km from the border with Nicaragua. This deployment, he explained, is part of a joint exercise of Honduran and U.S. troops called "Command, Control, and Communications Post."

PAZ BARNICA COMMENTS ON CONTRAS WITHIN COUNTRY

PA210039 Tegucigalpa EL HERALDO in Spanish 19 Mar 86 p 3

[Text] "If the contras fail to get the U.S. Senate to give them $100 million to continue their fight against the Sandinists, we would have serious political, economic and social problems here in Honduras," said former Foreign Secretary Edgardo Paz Barnica.

However, Paz Barnica admits that the antirevolutionary group is nothing more than the result of the complexity of the Central American conflict and that it is characteristic of the crisis affecting the region.

"Those gentlemen, the contras, should be fighting inside Nicaragua where they belong. Their problems only revert to Honduras. This is something that we are experiencing, and a responsible government should adopt the measures it considers necessary for the good of democracy, social peace, and national security," the former head of the Honduran diplomacy said.

Paz Barnica feels that 10, 15, or 18,000 Nicaraguan revolutionaries represent a very serious problem for Honduras as well as for Central America..."If those gentlemen should fail -- up to this moment I have no idea whether they have occupied a single village in Nicaragua -- we would have huge problems of incalculable consequences here in Honduras."

"It is extremely dangerous for the contras to continue living here -- if it is true that they are living here instead of fighting in Nicaragua," said Paz Barnica. He added that, at the sessions of the National Security Council, during the former administration headed by Roberto Suazo Cordova, he expressed the need to adopt measures to get the counterrevolutionaries to stop using our territory as a springboard to destablize Nicaragua and that friendly governments were asked to receive them when they were still not fighting." [quotation mark as published] However, the efforts were all useless.

The former foreign secretary asked: What will be done with those thousands of strongly armed counterrevolutionaries if the efforts being made by President Reagan fail and the Congress does not approve the $100 million in aid? He answered: "As a whole, they are greater in number than our own Armed Forces. It is an unconventional army that would remain here, and this would create a vicious cycle with serious problems such as the ones we are already experiencing. In the recent past they committed horrible crimes. The residents of Choluteca and El Paraiso had to lock themselves in their homes at 1800 because after that hour, they [the contras] began to commit crimes against Hondurans, some Nicaraguan contras are responsible for the vile murder of Major Ricardo Zuniga Morazan as well as other war crimes..."

Paz Barnica concluded by saying that President Azcona Hoyo must have a very clear picture of the problem and the decisions he must adopt if the U.S. Senate does not approve the $100 million for the Nicaraguan contras.

GENERAL BUESO ROSA RETURNS 'UNEXPECTEDLY'

PA201907 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 20 Mar 86

[Text] General Jose Abdenego Bueso Rosa arrived here unexpectedly at 0500 yesterday from Miami, where he had been on trial in recent weeks for his alleged participation in a plot to murder former Hondurn President Roberto Suazo Cordova and for being linked to a band of international narcotics traffickers.

Last night Radio America reported his arrival, and this report was confirmed at the Toncontin Airport. Bueso Rosa was met at the airport by his closest relatives, who did not explain the reasons for his return to the country. Bueso Rosa was charged by the FBI with being involved in the plot, made public in Honduras on 2 November 1984. Honduran businessman Faiz Ikaffy, who is awaiting sentencing in the U.S. courts, was also involved in the plot. U.S. citizen (Gerald Lachinian) has already been sentenced.

When General Gustavo Alvarez Martinez was chief of the Armed Forces, Gen Bueso Rosa was sent as military attache to Chile, where he requested asylum after the U.S. charges were made. He later turned himself in to the Chilean authorities after the United States sent an extradition request. He was brought to trial in late 1985 in Miami. It is not known under what conditions the United States allowed Gen Bueso Rosa to travel to Honduras yesterday. The local authorities have not explained the situation. Gen Bueso Rosa arrived via safe-conduct, Radio America learned. He was met at the Toncontin Airport by his relatives.

We repeat: Gen Bueso Rosa is in Honduras. What does former President Roberto Suazo Cordova have to say about that?

NICARAGUA

ORTEGA REACTS TO HOUSE DEFEAT OF CONTRA AID

PA210237 Managua Domestic Service in Spanish 0300 GMT 21 Mar 86

[Text] President Commander Daniel Ortega issued a statement a few minutes ago, giving what can be considered the first official reaction of the Nicaraguan Revolutionary Government, following the unfavorable vote on Ronald Reagan's proposal of giving $100 million to the counterrevolution. Our reporter Nelba Lopez recorded President Daniel Orgega's statements; he warned that even though the U.S. Congress this afternoon rejected Ronald Reagan's proposal to give more aid to the counterrevolution, this does not mean that the United States' war threats against Nicaragua will disappear.

The FSLN and the revolutionary government considers the discussion that has been carried out at the U.S. Congress immoral and illegal, the president of the Republic said a few minutes ago. In addition, he reasserted the revolutionary government's unchanging position of never holding a dialogue with the counterrevolution. Let us hear the president's statement, issued a few minutes ago, concerning the U.S. Congress' vote:

[Begin recording] [Ortega] The discussions currently taking place in the U.S. Congress, either in the House of Representatives or the Senate are illegal and immoral. Therefore, these discussions counter international opinion and normal relations among states. We will not discuss the U.S. Congress' decision -- we will not fall into this trap -- we will only refer to the debate itself. The U.S. Congress is assuming, when debating the U.S. President's request, rights no one has given them. The international community has not given them the right; not even the United States' Constitution gives them that right. They are simply assuming this right, and furthermore, they also fail to abide by the International Court of Justice's mandate, a juridical instrument recognized -- at world level -- which the United States has used on many occasions. This court has clearly ordered [words indistinct] that Reagan [corrects himself] the United States should stop all types of aggression against Nicaragua.

The problem here is that Nicaragua continues to withstand an aggression, and this aggression continues to increase against our country. The aggression continues to increase, it has not stopped, [words indistinct] support that the mercenary troops received from the Reagan Administration. This support has continued to increase, and we now see that the U.S. Congress is debating again a policy of aggression against Nicaragua. Therefore, we reject the debate, itself; we do not care whether they vote in favor or against. The problem is that they are debating this, and the war continues against Nicaragua, and a threat prevails against Nicaragua. Likewise, the U.S. Senate will vote again on this and the fact that they voted against it today does not mean that the war will stop. We are still at war, the aggression continues; the U.S. troops are still in Honduras and they have even moved up their manuevers, which were scheduled for April and were intentionally moved up to these days, when the debate was going to take place at the U.S. Congress.

This coincides with the deployment of Honduran troops to the territory bordering Nicaragua; there are reports of deployment of 5,000 Honduran soldiers today to the border with Nicaragua. The mercenary bands which are supported by the Reagan administration continue to murder the Nicaraguan people, destroying the people's property, and threatening the Nicaraguan people's lives. Consequently, we are still at war, and we continue to defeat the mercenary forces. Meanwhile, the U.S. President and Congress violate the international juridical norms and act immorally by discussing what is the best way to destroy the Nicaraguan revolution.

[Unidentified reporter] Is there any special [words indistinct]?

[Ortega] We must bear in mind, as I said, that this is only the first vote. According to their system, another vote must follow. In other words, the process has barely begun; the process has not ended. We think that Latin America will continue to defend a Latin Americanist position in favor of peace and against intervention. The Latin American people have been defending this position, and this has also been defended by many Latin American leaders. It is important to underscore that the aggression continues against our country and our people. This makes it necessary for us to not only pursue a greater mobilization in the military sector -- due to the military aggression -- but also a greater and more organized economic sector, because the aggression imposes more costs on us than the crisis. [Words indistinct] with all the deployment of U.S. Army forces in Honduran territory.

Consequently, we are forced to [words indistinct], double productivity and increase discipline, to increase the people's awareness and strengthen the Nicaraguan people's spirit of sacrifice and patriotism. We must do this with specific actions in favor of the revolution's military defense and production. Thus, we must also (?increase) our production because our enemies think that we are tired and that their military actions will totally deteriorate the Nicaraguan economy. We must solve the economic crisis, because this is a national problem; everybody is involved. Therefore, everybody -- all the government officials and members of the FSLN, the working people, the patriotic forces of the country that are identified with various political parties but have sincere feelings for their homeland and the defense of our national unity -- must join and support the military defense of the revolution, and work with efficiency and discipline to increase our productivity.

[Reporter] Referring to the statements issued by certain bishops on the debate, does the government intend to continue carrying out some kind of dialogue with the church?

[Ortega] We have clearly stated our willingness to normalize relations with the church. In sum, we have reasserted and will continue to reassert that there is no persecution against the church in Nicaragua, and there never will be. In the political sector, yes. Whoever opposes the revolution in the political sector will receive a reply -- also political -- from the revolution. Of course, certain members of the church leadership have been supporting Reagan's plan and have lent themselves to Reagan's plan by going to the United States to slander the revolution. Well, they are losing all their moral and religious authority before the people, because they have not been -- in any way -- on the people's side. Likewise, they are not defending the Nicaraguan people's human rights in any way. Instead, they have chosen to side with those who violate the Nicaraguan people's human rights. [end recording]

Further Reaction to Vote

PA202328 Managua Domestic Service in Spanish 2140 GMT 20 Mar 86

[Telephone relay by correspondent Bayardo Mendoza in Washington -- live]

[Text] At this moment we are trying to contact ANN headquarters. They have the latest on President Reagan's defeat in the House of Representatives. The House of Representatives voted against Ronald Reagan's request for $100 million in military aid to the contras. ANN's correspondent Roberto Cohen has sent fresh information and Comrade Bayardo Mendoza will give us some of the information that has not yet been published by ANN.

[Begin Mendoza relay] I wish to inform you that Roberto Cohen and Maria Vargas are two of our correspondents in Washington. This report from Washington: Even though White House spokesman Larry Speakes has described the results as a bitter defeat for the President to swallow, some political analysts believe that it is simply a temporary defeat for the $100 million in aid to the contras. Larry Speakes said that despite the defeat that he just experienced in the House of Representatives, the President is solemnly determined to continue his efforts before the House until freedom in Nicaragua is achieved. Some day, Speakes added, the House of Representatives will realize the danger Nicaragua represents. The House will again debate this issue in 2 weeks. Speakes told the press that President Reagan had sent a massage to the counterrevolutionary leaders telling them: Have faith, have hope; the U.S. people realize that your cause is also our cause. This was President Reagan's message to the counterrevolutionary leaders who are, at this moment, giving a press conference in Washington.

This confirms what President Ortega recently said about this request for $100 million in aid to the contras. President Ortega said in Stockholm that President Reagan does not seem very sure that he will get the approval for the $100 million. However, Ortega added, this battle is not a financial battle, the $100 million is not the issue; it is a political battle because if he does not get that aid, Reagan will look for a way to continue helping the counterrevolution.

The following are a few editorial notes from our correspondents in Washington: The experts believe that this is a relative defeat aimed at the U.S. political stage, however, for Nicaragua and Central America this promises important effects. Proof of this is the concentration of Honduran troops at the Nicaraguan border to support the attacks that the contras have carried out in the past few days. Despite the President's last minute maneuver to win the votes of the "undecided" congressmen, a majority of the congressmen rejected what Democrat Representative Thomas O'Neill described as a recipe [receta] for escalation, bloodshed, and U.S. military intervention in Nicaragua.

For some, this afternoon's dramatic vote at the House of Representatives, after more than 10 hours of heated debates, is a test of the United States' foreign policy and Reagan's performance as president. It is believed that the margin of defeat is significant in face of the strong campaign that the administration unleashed in recent weeks to get the support for its request by presenting the aid as a matter of U.S. national security. Aside from making changes in the schedules for the disbursement of the aid, Reagan also twisted arms and distributed gifts, according to congressmen. Some of the most staunch supporters of the administration, like Republican Jack Kemp, said that these votes would go down in history as proof of the loyalties of each congressman. This was a hint that this had been a test of the congressmen's "patriotism."

Thomas O'Neill, speaker of the House of Representatives, made a dramatic call to the congressmen to vote according to their conscience and not to vote with their eye on the upcoming November elections. The Democrats who voted against the aid unanimously expressed their distrust in the contras' capacity for a military defeat of the Sandinist Government or for representating a democratic alternative for the current government. They also insisted on the need to follow a policy that would get the support of the U.S. people and the United States' Latin American and European allies. Those who opposed President Reagan's proposal expressed their intention to support alternatives that will be discussed in mid-April. Some of these alternatives are very much like the proposal that have just been rejected and would also go against the anti-interventionist position of the Contadora process. According to Larry Birns, director of the Council on Hemispheric Affairs, this could be a short-term victory and, unfortunately, not too many congressmen are willing to leave themselves open to the charge of being soft on communism, and in turn will take the route in accordance to their conscience.

In conclusion, the Nicaraguan Embassy has described the voting as a step in the right direction. It is the hope of the people and Government of Nicaragua that this vote will mark the beginning of a new policy in which peaceful negotiation will impose itself over the military solutions that only lead to useless death and destruction.

The Nicaraguan diplomatic statements made in Washington were immediately answered by White House spokesman Larry Speakes who said: The President is solemnly determined to continue with his efforts before the House until freedom in Nicaragua is achieved. Some day the House of Representatives will realize the danger Nicaragua represents.

Meanwhile, Reagan sent a message to the contras who are holding a press conference in Washington. He told them: Have faith, have hope; the U.S. people realize that your cause is also our cause. [end relay]

Tunnerman on Aid Rejection

PA202259 Managua Radio Sandino in Spanish 2103 GMT 20 Mar 86

[Telephone interview with Carlos Tunnerman, ambassador to the United States by unidentified reporter, from the Nicaraguan Embassy in Washington -- live]

[Text] [Tunnerman] Thanks. Greetings to the Nicaraguan people through Radio Sandino. The Nicaraguan people must understand that the struggle will continue. This rejection by the U.S. House of Representatives of the $100 million in aid requested by U.S. President Ronald Reagan for the counterrevolutionaries is only one step. The request was rejected this afternoon at the U.S. Congress House of Representative. The rejection is positive because this represents the rejection of the U.S. Administration's warmongering and militarist stance. The idea of not giving more aid to the counterrevolutionaries and leaving the door open for negotiations through the Contadora process prevailed. Yet, as I said before, this is only one step. The Senate still has to vote. Let's keep in mind that the Republican Party, of which the U.S. Administration is a part, enjoys the majority in the Senate. It is also possible that later the administration may again present some other alternatives or demands for example that the Congress enter into negotiations to attain the administration's objectives after all, namely, military aid for the contras.

We stress this so that we can be aware that we must remain vigilant and attentively follow the development of these events. We must keep from thinking that we have won a final victory because the House of Representatives rejected President Reagan's request this afternoon. We must bear in mind that the process has only begun, and this struggle will continue. We must always be ready to respond to these attempts at deciding our country's destiny in the congress of a foreign country.

[Reporter] Comrade Ambassador, we also want to know the reaction of the U.S. press and people regarding this Congress discussion to continue the U.S. Government's aggression against our country.

[Tunnerman] Well, the first wire dispatches and radio and television news regarded this rejection as a defeat for President Reagan and his administration because, despite his efforts to do everything possible to have his request approved, the 222 votes against and only 210 for with a difference of only 12 votes, indicates a significant result at this time. It was a tight debate and an even smaller difference had been anticipated. The media have interpreted this as a defeat that the House has dealt to the administration. Of course, this is only one stage, and many others have to be completed.

[Reporter] Comrade Ambassador, regarding the many stages that you have mentioned, we would like you to expand a little for our people on these stages that the U.S. Congress must fulfill in view of this afternoon's rejection, considering that not all has been done.

[Tunnerman] Well, in order for the decision to be final it is necessary to have a positive vote in the two chambers. We have a negative vote in the House of Representatives. The Senate will likely cast a vote tomorrow -- although this is not for sure -- or Monday. Although the Senate may vote in the opposite direction and approve the U.S. President's request, the package that he proposed cannot possibly be made law because the House of Representatives voted no. What will happen is this: After the recess at the end of the month and the beginning of next month, that is to say, after 7 April, a series of [words indistinct] and meetings of the Senate and House will begin, with much pressure from the administration, that will make efforts to have some bill approved through the consensus of the party members. In this way, the administration will try to get some form of aid for the counterrevolutionaries. Our government's stance is very clear. We oppose all forms of aid. We oppose even the very fact that Nicaragua's destiny has been discussed in the Congress of a foreign country. We believe that this discussion does not make any sense; that some assume a right to decide Nicaragua's destiny through casting votes in the Congress of this country. This is why we believe that we must follow these events closely, and that the Nicaraguan people must continue to always be ready and prepared for its defense.

[Reporter] Comrade Ambassador, how do you describe the U.S. decision to freeze for 90 days [words indistinct]? It has been said that the White House will pressure Nicaragua into holding a dialogue with the counterrevolutionaries.

[Tunnerman] This is one of the alternatives that had been considered. This was presented by the U.S. Administration at the last minute in an effort to convince the House members or have some of them vote for the proposal. However, this was not considered today. It is the original proposal, as President Reagan had presented it, that was discussed and voted. This proposal entailed $70 million in immediate military aid and $30 in immediate humanitarian aid. This was rejected today.

[Reporter] Comrade Ambassador, we only want you, on behalf of the diplomatic personnel, to reassure our people about the work carried out to confront U.S. aggression against our country.

[Tunnerman] To tell you the truth, this is a victory for the Nicaraguan and Latin American peoples. We advocate negotiation. When aid for the counterrevolutionaries is rejected, an opportunity arises for negotiation and seeking peace through diplomatic means and the Contadora process. Since this is Latin America's and Nicaragua's stance, it is Latin America and Nicaragua who have been strengthened by this vote in the House.

Contadora's and our government's stance that Central American problems will not be solved militarily, but through negotiation and dialogue, has been strengthened.

Contra Reaction

PA210350 Madrid EFE in Spanish 0300 GMT 21 Mar 86

[Excerpts] Washington, 20 Mar (EFE) -- The U.S. House of Representatives' rejection of aid to the contras gives the "advantage to the Sandinists" and means a "heavy blow to Nicaraguans fighting for Democracy," Alfonso Robelo, one of the rebel leaders, said.

"Eden Pastora, disappointed to see that the world does not care that Nicaraguans live or die as slaves, has left to continue fighting in Nicaragua, and vowed not to return to Washington," said the spokesman for ARDE, a group fighting the Sandinists in southern Nicaragua, led by former Commander Zero.

Pastora left Washington shortly after the House of Representatives' vote and said: "I will tell Nicaraguan peasants, on whose side I will fight until I die, that nobody wants to help us."

For Armstrong Wycliffe, a Miskito leader of Miskito, Sumu, and Rama Sandinist Unity, the vote "means defeat for the FDN, giving a political space to moderate rebel leaders who, like all Nicaraguans, want liberty but not the return of the Somozist regime."

"Thank God, U.S. congressmen rejected the fact that the [Reagan] administration is still supporting former Somozist guardsmen such as Enrique Bermudez (FDN military leader) and the FDN in Tegucigalpa and Miami," the Miskito leader added.

Called 'Psychological Defeat'

PA210059 Paris AFP in Spanish 2324 GMT 20 Mar 86

[Excerpt] San Jose, 20 Mar (AFP) -- The Nicaraguan Opposition Unity (UNO) and the Southern Opposition Bloc (BOS), the main alliances of the anti-Sandinist groups, today admitted that they had suffered a "psychological defeat" when the U.S. Congress voted against the $100 million in aid requested by President Ronald Reagan.

"We have lost a battle but not the decisive battle," UNO leader Roberto Urroz said and added that the U.S. Congress vote "could be changed," shortly.

"Today some congressmen voted against democracy, but if the aid plan presented by Reagan is amended and the last minute suggestions are included, we are sure it will pass," Urroz said.

Meanwhile, BOS leader Jose Davila also said that today's vote "represents a psychological blow," but at the same time "it shows the need for broader initiatives that involve the Latin American forces in the search for an effective solution to the Nicaraguan crisis." Davila said that the "issue was not approached in the correct manner because it is not a matter of a conflict between Ronald Reagan and the nine Managua commanders, but rather the establishment of a Marxist dictatorship that has brought the East-West conflict into the region."

"We feel that the Contadora Group, the Support Group, and the Central American presidents now have the floor [tienen la palabra]," Davila said. He insisted that BOS has always supported a broader approach to the Nicaraguan problem, an approach that would not only include military matters, but also political matters.

"If the political matters are taken into consideration, even the congressmen that voted against the aid would change their minds, because the whole world is aware of the threat that the communist Government of Nicaragua represents and the need for effective solutions to the Central American crisis," Davila concluded.

UNO: Contras Will Win

PA210223 Panama City ACAN in Spanish 0148 GMT 21 May 86

[Text] San Jose, 20 Mar (ACAN-EFE) -- The Nicaraguan Opposition Unity (UNO), led by Adolfo Calero, Arturo Cruz, and Alfonso Robelo, said through a spokesman in this capital that the setback they suffered at the U.S. Congress will not make them lower their guard. Fabio Gadea, a member of the anti-Sandinist directorate, said: We have lost a battle, but we will win the war.

The Nicaraguan opposition leader described the negative vote on Reagan's initiative in favor of the "freedom fighters" as the result of the "tug of war" that exists between Democrats and Republicans in the United States.

Gadea added: We have a great deal of faith that President Reagan will continue with the banner of democracy for Latin America and Central America, not only in favor of Nicaragua.

The UNO representative said that the Nicaraguans do not expect other nations or other organizations to solve their problems, but that "we must resolve them by ourselves."

Historically, the leader said, Nicaraguans have known how to "get rid of all dictators."

In 1856 the Costa Ricans helped us get William Walker's filibusters out of Nicaragua' in 1930 "the true" Sandino, with a handful of men, got rid of the American invaders; and in 1979 the people with their weapons in their hands got rid of Somoza, but they were "betrayed by the Soviet power that already had its puppets ready."

Gadea admitted that "there are many resources we could "get our hands on" to continue the struggle, and in any case "we will continue fighting with our fingernails," as we have done during the past months in the northern and southern parts of Nicaragua." [quotation marks as received]

After the U.S. Congress' vote against military aid, "I do not believe that our fighters' condition will change very much."

We will not lower our guard, we will continue in the struggle, as we have demonstrated during these past few days in the northern part of Nicaragua where the rebel forces blew up the Yaraguila power station, and left 20 towns without electric service.

We will go forward as fighters, in the political as well as in the military and diplomatic aspects, Gadea concluded.

DEFENSE MINISTRY ON TROOP DEPLOYMENT

PA210138 Paris AFP in Spanish 0026 GMT 21 Mar 86

[Text] Managua, 20 Mar (AFP) -- The Nicaraguan Defense Ministry confirmed today that the border post of El Espino, the only Honduran border post, has been closed since last week, when "counterrevolutionary groups attacked the site from the neighboring country."

The Defense Ministry spokesman, Captain Rosa Pasos, told AFP that counterrevolutionary groups attacked El Espino last Thursday with rifles and mortars, from the Honduran post of La Fraternidad.

Pasos claimed that the attack was carried out with "the approval" of the Honduran Army and said that there were no casualties among the Sandinist forces.

In addition, Pasos confirmed that many Sandinist soldiers were deployed to the northern border zone during the past few days, "to prevent a counterrevolutionary offensive."

Nevertheless, she denied that such a deployment of soldiers and armored vehicles represents a "provocation" to the Honduran Army, which also mobilized its troops to the border zone during the past few hours.

"We are only preparing our defense in case of an eventual counterrevolutionary offensive and the deployment of troops to the border has no other objective." Captain Pasos explained.

The anti-Sandinist guerrillas reactivated their actions in the northern zone during last week, ineluding the destruction of a power substantion close to the border zone, which left a vast region without electricity.

MINISTRY REPORTS DECREASE IN RICE HARVEST

PA201654 Bogota EL SIGLO (NICARAGUA HOY supplement) in Spanish 12 Mar 86 p 4

[Text] Managua -- The country's rice harvest this year will not be enough for the population. Although no official figures have been given, it is understood that the amount is well below the quantity the Sandinist government expected.

Benjamin Linarte, official in charge of rice production for the Agricultural Development and Agrarian Reform Ministry, said that rice production in the country, which was 200,000 quintals 5 years ago, has decreased to 130,000. Meanwhile, Linarte said consumption has increased and the tendency is for it to increase even more.

Henry Montano, official in charge of rice distribution in the Domestic Trade Ministry, reported that in 1986 the Sandinist government had intended each consumer to have 3 lbs of rice per month, but by January it could only supply 2 lbs per month.

Counterrevolutionary activities have hindered collection of a lot of the rice that had already been harvested, said Montano, who added that the lack of machinery, spare parts, and other accessories is also affecting the rice harvest.

In one of the most somber reports on the country's basic grain industry, Montano revealed that between 50 and 80 percent of the rice processing machinery used on state-owned farms is unserviceable or only partially functional.

Montano urged the rice growers to surpass their production goals despite all the difficulties, stating that the Sandinist government intends to harvest 2 million quintals of rice from 64,500 manzanas this year.

U.S. HOUSE VOTE REJECTING AID TO CONTRAS NOTED

FL202110 Havana Radio Reloj Network in Spanish 2011 GMT 20 Mar 86

[Text] Last-minute news: The House of Representatives, which has a majority of Democrats, has rejected President Ronald Reagan's request for $100 million for the anti-Sandinist rebels. The proposal was rejected by a vote of 222 to 210. This results in a severe defeat for the White House, which has conducted a great campaign to get the Congress to authorize $70 million in military aid and $30 million for humanitarian assistance for the Nicaraguan counterrevolutionaries.

Radio Analysts Comment

PA210205 Havana International Service in Spanish 0000 GMT 21 Mar 86

["Brief analysis" by Pedro Manuel Otero, Radio Havana chief editor, and Roberto Morejon, specialist on U.S. and Central American affairs, from Radio Havana main studio, on 20 March 1986 -- recorded]

[Text] [Otero] Effectively, as was announced a few hours ago, the U.S. House of Representatives voted against the President's request for $100 million for the former Somozist guardsmen. This refusal to approve the President's petition by the House of Representatives, with a majority of democrats, is a serious defeat to President Reagan's arm race and warmongering plans for Central America. I think it is worth pointing out here that many of the congressmen who voted this time against the President's petition, such as Democrat Thomas O'Neill, speaker of the house, firmly stated that in case of an affirmative vote, it could mean the first of an involvement in Central America as the one in Vietnam.

[Morejon] The decision in the House of Representatives today has been a hard blow to Reagan because the President of the United States had doubled his anti-Nicaraguan campaign during the past few weeks. He had doubled it to such a point that several international observers, and even Nicaraguan President Commander Daniel Ortega, had said that this persistent effort by the U.S. President led to believe that his mental state was not right. I think that international observers, and Commander Daniel Ortega, had made a correct observation, with which we agree.

[Otero] I would like to say before finishing that according to news dispatches, President Reagan made a last minute proposal last night, to hold back $70 million of the $100 million he was asking in military aid for the groups attacking Nicaragua. That is, Reagan made the proposal to freeze those funds for 90 days. Meanwhile, some diplomatic actions would be carried out with Managua. This makes us believe that Reagan feared that his proposal was definitely going to be rejected. That is why this new alternative from his original request was submitted. This is very important and it is also significant that the House of Representatives also rejected this new alternative submitted by Reagan.

Now the Senate will discuss and vote next Tuesday on the $100 million aid request. If the Senate, where the Republicans have a majority, approves the President's request, the Senate and the House will have to reach an agreement to decide what to do with the $100 million that President Reagan insists on giving to the Somozist groups.

Reagan Lobbying Noted

PA200429 Havana International Service in Spanish 1600 GMT 19 Mar 86

[Text] U.S. President Ronald Reagan has increased his lobbying among the U.S. Congressmen who are still undecided on the president's request for $100 million for the Nicaraguan counterrevolution. In the past few hours Reagan met with 20 Congressmen who have been described as opposed to the president's request for aid to the Somozists. Despite the pressures from the White House, the second highest ranking Democrat in the U.S. Congress has said that Reagan's request will be defeated during Thursday's debates. Meanwhile, White House spokesman Larry Speakes has said that President Reagan will win at the House of Representatives, even though he did admit that it would be a close vote.

Lusinchi, Cerezo on Aid

PA200443 Havana International Service in Spanish 1600 GMT 19 Mar 86

[Text] Venezuelan President Jaime Lusinchi and Guatemalan President Vinicio Cerezo have said they are in favor of a negotiated solution to the serious crisis in Central America. During a meeting with the diplomatic corps accredited in Caracas, the Guatemalan president expressed his country's support for the peacemaking efforts of the Contadora Group and its Support Group. In their statements, Lusinchi and Cerezo implicitly rejected U.S. President Ronald Reagan's request for the U.S. Congress to approve $100 million in aid for the Nicaraguan counterrevolutionary bands. During a luncheon given by Sebastian Alegrett, SELA permanent secretary, in honor of President Cerezo, the Guatemalan president expressed his support for this organization and called for the consolidation of a Latin American unity to confront the serious problems experienced by the region. President Cerezo is on an official visit to Venezuela.

NONALIGNED NEWS AGENCIES POOL BEGINS CONFERENCE

FL201847 Havana Television Service in Spanish 1700 GMT 20 Mar 86

[Excerpts] Jose Ramon Fernandez, vice president of the Cuban Council of Ministers, inaugurated this morning the fourth general conference of news agencies from Nonaligned Countries. Fernandez analyzed the role of news agencies in the current international situation and the collective efforts made in confronting the distortion of truth by transnational information services. The conference agenda, approved by the Coordinating Committee, includes fundamental topics such as perfection of the news pool and informative coverage of the eighth summit conference of the Nonaligned Movement countries, which will be held in Harare, Zimbabwe, in September. In general, the participants, including more than 30 directors of news agencies, agreed that concrete steps have to be taken to complete the programs previously approved by the pool in New Dehli, Belgrade, and Tunis and that the one approved in Cuba should mark a vigorous advance in the battle against disinformation and monopolistic control by transnational news services and the new international informative order.

PRENSA LATINA Head New Leader

FL202054 Havana Radio Reloj Network in Spanish 2004 GMT 20 Mar 86

[Excerpt] The fourth general conference of the pool of news agencies from Nonaligned Countries that is meeting in Havana has unanimously elected Cuba to preside over this organization for the next 3 years. Pedro Margolles Vallanueva, director general of PRENSA LATINA News Agency, was selected president and received his new commission from out-going President (Bachir Towal), from Tunisia.

Malmierca Comments

FL202232 Mexico City NOTIMEX in Spanish 2159 GMT 20 Mar 86]

[Excerpt] Havana, 20 Mar (NOTIMEX) -- Cuban Minister of Foreign Relations Isidoro Malmierca has said here today that the news agencies of Nonaligned Countries must give better coverage to the acts of aggression perpetrated by South Africa against the independent states of southern Africa. During the 11th meeting of the Coordinating Committee of the pool, the Cuban foreign minister accused Western news agencies of having boycotted the Nonaligned Movement to reduce its influence in international politics. At this meeting, the report on the activities of the pool during the past 3 years was read; this report will be presented to the fourth general conference of the pool, which began today in the Cuban capital.

COMMENTARY VIEWS 'REPRESSION,' 'UNREST' IN CHILE

PA201619 Havana International Service in Spanish 2300 GMT 13 Mar 86

["Our America" commentary]

[Text] Notwithstanding the huge amount of negative information gathered by the special representative of the UN Human Rights Commission, the final document drafted by Fernando Volio fails to fully reflect the intensity of the Chilean problem, which is not limited to alternatives of life and death, detention and disappearance, internment and torture, or internment and the subsequent release of persons.

When one sets aside the simple mathematical count of the dead and missing, or the jailed and tortured, and delves into the social trauma caused by 13 years of indiscriminate repression, the picture becomes complicated to the point where it becomes an exasperating reality.

Recently a group of U.S. doctors conducted a survey in Chile. The results of this survey indicate that the majority of the population is suffering from psychic and psychological disorders caused by the policy of terror that the military regime has pursued since September 1973. The report of the U.S. doctors refers to one of the most profound and negative aspects of the Chilean military administration. According to the document, the ordinary citizen is a prisoner between two opposite lifestyles -- an external life that is forced upon and imposed upon him by the standards of conduct established by oppressive laws, and an internal life that represents his true personality, which he must emotionally suppress in order to submit to the mechanisms of terror imposed by the authorities. This social trauma is not only reflected in the psychic and psychological problems of the population, but the extreme poverty and its logical consequence -- hunger -- have also forced young mothers to engage in prostitution to support younger family members.

In a study on the crisis of the Chilean family, Jesuit priest Christian Vives has noted that the main factors in this situation are unemployment and the extremely high cost of living, which have forced a large portion of the population to live in crowded slum areas. The Jesuit priest stressed that this situation further contributes to family decay and alters the role that society has traditionally assigned to that human group.

According to the latest official statistics, the unemployment rate in Chile exceeds 13 percent and the bulk of the unemployed are in Santiago, the capital. This has forced the poor inhabitants to take over lands in which, despite the brutal evictions, they build shantytowns from which they desperately fight for their rights. The regime's fear that the overall trauma will result in social turmoil is evident. Proof of this are he threats that Augusto Pinochet made in a recent visit to Curiaco, where he said that the country must continue to advance in the direction indicated by the dictatorship. If there is any need for an iron fist they will have one, and quite harsh, he emphasized. The anouncement that the repressive tactics will be stepped up will only add to the unrest in a society that fascism wants to destroy.

RAFAEL RODRIQUEZ RETURNS FROM FUNERAL IN SWEDEN

FL191126 Havana Radio Progreso Network in Spanish 1100 GMT 19 Mar 86

[Text] Politburo member Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has returned to Cuba after being part of the delegation headed by Commander in Chief Fidel Castro which attended the 27th CPSU Congress. Rafael Rodriguez also visited the DPRK and later presided over the delegation that attended the funeral service for Swedish Prime Minister Olof Palme.

CTC DELEGATION ATTENDS MONTREAL LABOR MEETING

FL191150 Havana Radio Progreso Network in Spanish 1100 GMT 19 Mar 86

[Text] The 12th conference of the International Labor Organization continues its work today in Montreal after an opening ceremony in which Jesus Escandel, member of the Central Organization of Cuban Trade Unions, CTC, was elected vice president. The Cuban trade union delegation presented a draft resolution stressing that the foreign debt is unpayable.

ELECTRICAL ENERGY PROTOCOL WITH USSR SIGNED

FL201532 Havana Radio Reloj Network in Spanish 1421 GMT 20 Mar 86

[Text] The Soviet Union and Cuba have signed in Moscow a protocol resulting from the 13th session of the electrical energy work group of the intergovernmental Commission for Economic and Scientific-Technical Cooperation. The document was signed in the Cuban Embassy's economic office during a ceremony presided over by Nikolay Lopatin and Rodrigo Ortiz Gomez, deputy minister of Soviet power and electrification and vice minister of Cuban basic industry, respectively. The two officials referred to the importance of the agreements reached on the first electro-nuclear center under construction in Juragua, Cienfuegos. They also stressed other large investments such as the thermo-electric center in east Havana, the 500-volt electrical line, and other electrical energy projects operating in Cuba with Soviet assistance.

5-YEAR TRADE PROTOCOL WITH YUGOSLAVIA SIGNED

FL200240 Havana Television Service in Spanish 0000 GMT 20 Mar 86

[Text] Ricardo Cabrisas, minister of foreign trade, and Federal Secretary for Foreign Trade of the Socialist Federal Republic of Yugoslavia Milenko Bojanic signed the trade protocol between Cuba and Yugoslavia for the present 5-year period.

In addition, the trade agreement for the present year, which totals 60 million pesos in goods in the two directions, was also signed.

Cabrisas and Bojanic stressed the bonds of friendship that join the peoples of the two nations. The protocol signed will make it possible for Cuba to carry out its present trade policy of diversifying exports.

It was reported also that Yugoslavia will soon send a powdered milk processing plant to our country with a production capacity of 20 tons daily. The plant has been bought for installation in Camaguey.

GUYANESE FOREIGN MINISTER ARRIVES ON 5-DAY VISIT

FL180058 Havana Television Service in Spanish 0000 GMT 18 Mar 86

[Text] Rashleigh Jackson, minister of foreign affairs of the Cooperative Republic of Guyana, has arrived in Cuba at the head of delegation to pay an official and friendly visit. The Guyanese foreign minister and the persons accompanying him were received at Jose Marti International Airport by Isidoro Malmierca, Cuban minister of foreign relations.

During its 5-day visit to our country, the Guyanese delegation will hold official conversations in the Cuban Foreign Ministry and will visit sites of economic, historical, and social interest.

Received by Risquet

FL200222 Havana Television Service in Spanish 0000 GMT 20 Mar 86

[Text] Jorge Risquet Valdes, member of Politburo and Secretariat, this morning received Rashleigh Jackson, minister of the party's Central Committee headquarters. Jackson has been paying an official and friendly visit to Cuba since last Sunday. During the meeting, which took place in a cordial environment of mutual understanding, the two leaders discussed the strengthening of relations between the two countries and studied problems related to the international situation.

Also present were Isidoro Malmierca, Central Committee member and minister of foreign relations; Lazaro Cabezas, Cuban ambassador to Guyana, and other officials.

GUYANESE DELEGATION ARRIVES FOR COOPERATION TALKS

FL142008 Havana Television Service in Spanish 1800 GMT 14 Mar 86

[Text] Winston Murray, minister of state for internal trade and consumer protection of the Cooperative Republic of Guyana, has arrived in Havana. Ernesto Melendez, minister president of the State Committee for Economic Cooperation, received Murray and those accompanying him at Jose Marti International Airport, The Guyanese minister heads his country's delegation which will participate, starting tomorrow, in the 11th meeting of the joint Cuban-Guyanese Intergovernmental Commission for Economic, Scientific, and Technical Cooperation. Cuba aids Guyana in public health, education, agriculture, and sports. A medical brigade encompassing 25 health specialties is now in that brother country.

ANTIGUA-BARBUDA

UNDP FORMED BY MERGER OF TWO POLITICAL PARTIES

FL202242 Bridgetown CANA in English 2211 GMT 20 Mar 86

[Text] St Johns, Antigua, March 20, CANA -- Two opposition political parties in Antigua have announced a merger.

The United Peoples Movement [UPM] led by former Premier George Walter and the newly formed National Democratic Party (NDP), led by surgeon Dr Ivor Heath, have now become the United National Democratic Party (UNDP).

A five-man working committee of executive members of the UPM and the NDP has been set up to administer the affairs of the new party and to prepare for its first convention next month. The officers are: Wilmoth Daniel, chairman; Lionel Gomes, assistant chairman; Heath, party spokesman; Len Johnson, secretary; and Glentis Goodwin, treasurer.

Goodwin, Gomes and Daniel contested seats on behalf of the UPM in the 1984 general election and lost their deposits.

Elections are not due for another three years. The ruling Antigua Labour Party holds all but one of the seats in parliament.

HAITI

GOURGE RESIGNS FROM GOVERNMENT COUNCIL

PA210009 Paris AFP in Spanish 2317 GMT 20 Mar 86

[Text] Port-au-Prince, 20 Mar (AFP) -- Lawyer Gerard Gourge, minister of justice and one of the two civilians who are members of the National Government Council (CNG) in Haiti, presented his resignation today.

He explained his decision in a letter to CNG President General Henri Namphy, saying that "42 days after the CNA's creation, the mandatory work for recovery, and the changes demanded by all the Haitian people, the CNG is encountering opposition and delays which are contrary to our national demands."

"I shall return to the post of president of the Human Rights League, and I will continue the struggle for the defense of all the Haitians' human rights," Gerard Gourge told AFP.

TRINIDAD-TOBAGO

MINISTERS IMPLICATED IN DRUG TRAFFICKING

FL201206 Bonaire Trans World Radio in English 1130 GMT 20 Mar 86

[Text] In Port-of-Spain, Trinidad, three government ministers and several police officers have been named in a commission of inquiry report on narcotic trafficking in Trinidad. THE MIRROR newspaper reported the outcome of the commission of inquiry but did not identify the government ministers or describe their alleged role in drug trafficking. The commission was appointed in 1984 amid public pressure to investigate drug trafficking in the island.

GUYANA

3-YEAR $30-MILLION TRADE PROTOCOL WITH GDR SIGNED

FL131926 Bridgetown CANA in English 1858 GMT 13 Mar 86

[Text] Georgetown, Guyana, March 13, CANA -- Guyana and East Germany have signed a three-year trade protocol worth US30 million dollars. Agreements were signed in East Berlin at the weekend by Trade Minister Winston Murray, who returned home yesterday. Teams from both countries discussed economic co-operation at wide-ranging levels, according to government sources, who added that at least three joint projects could come on stream this year.

Murray said: The visit has strengthened the basis of co-operation between Guyana and the GDR and has laid the foundation for at least one project in the near future.

Under the protocol, it is envisaged that Guyana will export 30 million dollars of commodities to East Germany from 1986 to 1988, including timber and bauxite, processed fruit, and alcohol. The minister said the GDR was interested in increasing bauxite purchases from Guyana. Guyana will import tractors, rice harvesters, a 10-ton rice mill, drugs and other hospital supplies, and newsprint. Spares for rice mills, trucks, and other commodities will also come from East Germans.

Joint venture arrangements will involve exploration for gold and diamonds and other minerals, government officials said. The East European country is moving to send a mission to Guyana to examine relevant data and visit sites to work out details of joint venture projects in the gold and diamond sectors. Interest has also been expressed in joint venture projects for rice and soya bean production.

Ten Guyanese are to be sent to East Germany this year for training in several fields. A Guyana-GDR joint commission meets alternately in Georgetown and East Berlin.

PANAMA

PRESIDENT, CABINET REJECT MARCOS' ASYLUM REQUEST

PA211213 Panama City CRITICA in Spanish 21 Mar 86 p 1

[Text] At the moment when we went to the press we were told that the cabinet and the presidents and leaders of the National Democratic Union, at a meeting held at the Presidency of the Republic, agreed to reject the request for temporary asylum by former Philippines President Ferdinand Marcos. The source indicated that the meeting presided over by President Eric Arturo Delvalle, followed by an exchange of opinions, decided to reject the request by the former Philippines president to stay in our country temporarily.

Negotiations Continue

PA211228 Panama City Domestic Service in Spanish 1212 GMT 21 Mar 86

[Text] President Eric Arturo Delvalle has announced Panama's rejection of the Marcos asylum petition, but negotiations with the United States over a temporary asylum for the former Philippine dictator continued early today.